FOCUSING FOR THE FUTURE

JUPITER FUND MANAGEMENT PLC

Annual Report and Accounts 2022

FOCUSING FOR THE FUTURE

2022 provided a stark reminder to us all of what an unpredictable world we inhabit and, naturally, of the need to be alert to opportunities and threats. At Jupiter, we are focusing relentlessly on ensuring that our business is optimally positioned to support our clients and other stakeholders.

We have made significant strides in sharpening the focus of our product range to meet the needs of investors through the remainder of this decade and beyond, while remaining true to our roots as a genuinely active, specialist asset management firm. We are, by our very nature, far-sighted in our approach, and yet we remain as convinced as ever of the crucial role that high-conviction, active managers have to play.

As a forward-looking business, we will do everything in our power to continue to innovate and, by so doing, to deliver products and services that meet the needs of our clients, of society and of the planet today, tomorrow, and far into the future.

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Agile & Focused

30

Active Strategies

36

Sustainability woven through the fabric of our firm

54

Diverse & Inclusive

NON-FINANCIAL KPIs

Investment performance

51%

2021: 58%

Assets under management

£50.2bn

2021: £60.5bn

Net flows

£(3.5)bn

2021: £(3.8)bn

Employee engagement

71%

2021: 70%

FINANCIAL KPIs[1]

Net management fees

£384.8m

2021: £453.7m

Cost:income ratio

69%

2021: 61%

Underlying earnings per share

11.3p

2021: 31.7p

OUTCOME KPI

Total shareholder return

(42)%

2021: (2)%

1. More details on the Group's use of Alternative Performance Measures (APMs) can be found from page 195.

A STRONG PURPOSE AND CULTURE

UNDERPINNED BY THE VALUE OF ACTIVE MINDS

We believe that generating sustainable long-term outperformance for our clients, in a complex and challenging world, requires diversity of thought and mindset in all its aspects. The ability to be agile, entrepreneurial and adaptable to solve problems is a human quality. This is why our approach fosters real diversity of thinking, accountability, collaboration and a willingness to be challenged. We seek to be flexible and change as circumstances and our environment evolve around us.

We believe that a combination of experience and creativity, as well as a commitment to keep listening and learning across all of our business, enables us to deliver for our clients and make a positive difference in the world.

We call this advantage **the value of active minds.**

CREATING VALUE FOR

CLIENTS

At Jupiter, our clients are our focus and our priority. We are dedicated to serving our clients and put their interests at the centre of our business. We have deep relationships that enable us to understand what our clients want from us and we engage continuously with them to ensure we deliver to their expectations. Our commitment to active asset management is our driving force. Our investment managers have the freedom to pursue their own investment style within a collegial environment and with a shared commitment to sustainability.

Our distinct, entrepreneurial culture encourages independence of thought and individual accountability. This enables our investment managers to follow their convictions and seek those investment opportunities that they believe will ensure the best outcomes for our clients.

EMPLOYEES

We believe that our value is in our people, whatever their role in the organisation. We encourage collaboration, debate and diversity. Our employees have the freedom and support they need to perform at their best, to challenge and be open to challenge.

When we recruit, we look for talented people to build a diverse workforce. We consider diversity, equity and inclusion at a Group-wide level and firmly believe that fostering a culture which embraces differences among people creates a stronger and more sustainable business. Through this commitment to improving diversity, we actively promote independence of thought.

Jupiter is committed to developing its people through its talent and learning programmes. We strongly encourage employee share ownership and have provided free Jupiter share awards to all staff in each of the last four years, helping to align the interests of employees and shareholders, which ultimately benefits our clients.

SHAREHOLDERS

Through sustainable business growth and disciplined management of our capital base, we will deliver strong total returns for shareholders. Our unwavering focus on meeting the needs of our clients and delivering investment performance, will help us generate inflows from our clients and drive the growth of the business.

Combining this business growth with rigorous financial discipline will lead to strong financial performance. Along with a carefully managed capital base, this will deliver total returns for our shareholders.

SOCIETY

We add value to society in our role as responsible stewards of our clients' assets, allocating capital to protect and enhance the value of our clients' investments. Active investment management is not just about financial returns, but also about investing in sustainable businesses that create broader value both for shareholders and wider society. We believe that these companies have better long-term growth prospects, which also delivers benefits for our clients.

As active long-term owners of the companies they invest in, our investment teams engage with companies to understand material environmental, social and governance (ESG) risks and opportunities and to drive improvement in company behaviour. Our approach to stewardship may differ by strategy and asset class, but it is always centred on improving client outcomes through active ownership and, as long-term investors, we create sustained and effective relationships with investee companies.

OUR BUSINESS

At 31 December 2022, our clients entrusted us to actively manage £50.2bn of their assets. Delivering growth for clients through investment excellence is at the centre of what we do.

WHAT WE DO

We create a better future for our clients and the planet with our active investment excellence

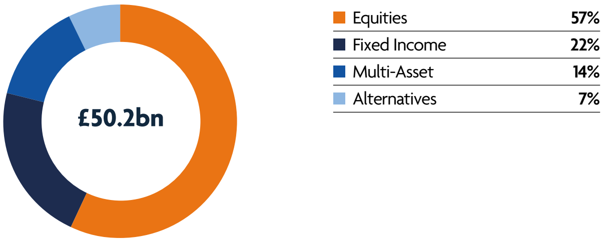
Asset classes

We offer a number of investment strategies within four core asset classes:

- Equities
- Fixed Income
- Multi-Asset
- Alternatives

Our investment teams are unconstrained by a house view, but are supported by specialists in ESG issues and data science.

AUM by asset class



Client channels

We offer a range of actively managed investment products through two principal channels. These comprise:

- Retail, wholesale & investment trusts
- Institutional

We earn revenues by charging fees to our clients for the provision of investment management services, typically based on a percentage of the assets under management (AUM). We also have the potential to earn performance fees across a number of investment strategies.

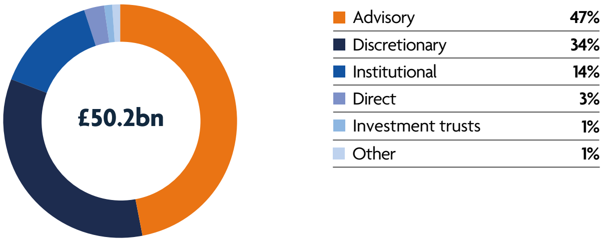
AUM by client channel

Distribution partner

We primarily access our clients through a range of distribution partners. Our core partners include:

- Funds of funds
- Platforms
- Global financial institutions
- Advisers
- Wealth managers
- Life companies
- Private banks
- Institutional clients
- Consultants

AUM by distribution partner type



HOW WE DO IT

Talented individuals delivering with conviction

We enable talented individuals to pursue their own investment styles. Without the constraints of a house view, our investment managers can follow their convictions to deliver the best outcomes for clients.

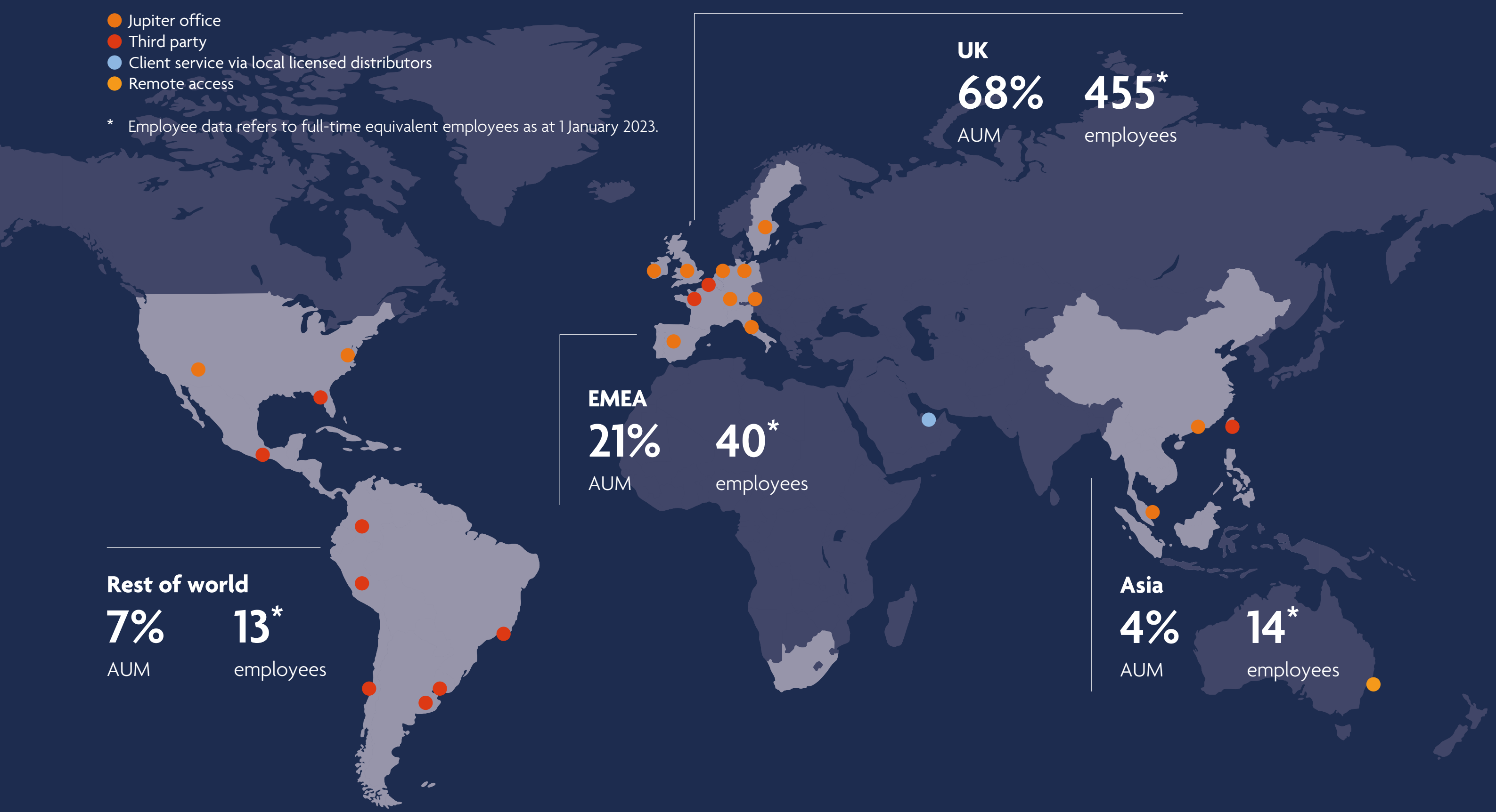
Meeting our clients' needs through working together

We work together to innovate and deliver the investment capabilities that help our clients meet their objectives, providing the best outcomes for our clients, shareholders and all our stakeholders.

An efficient operating model

We have a single operating platform, which we continue to develop to reduce undue complexity and aid effective collaboration. This allows us to adapt as market conditions evolve, identify and respond to emerging opportunities and support growth.

WHERE WE OPERATE



OUR CULTURAL PILLARS

We put clients first

We value our people

We succeed together

We challenge ourselves

For more on our cultural pillars, please see from page 56.

DELIVERING CHANGE TO PROMOTE JUPITER'S SUCCESS

Dear Stakeholder

This year has seen a significant amount of change. The rapidly evolving economic environment, largely driven by geopolitical issues, has impacted us all, including our business here at Jupiter. Following our change in CEO at Jupiter, we have implemented appropriate changes across the management and structure of our business, to ensure we have an agile and sustainable business, which can adapt to the ever-changing macro environment. My opening report provides an overview of the key market trends, how these have impacted our business performance and the changes we have made to accelerate our business during the year.

Market environment

As global economies were endeavouring to recover from the pandemic in the early part of this year, Russia invaded Ukraine causing significant market declines and expediting increases in inflation, which in turn has driven the current cost of living crisis. The volatile markets continued later in the year, with the rapidly changing political environment in the UK, resulting in further market disruption which further dampened appetite for UK investments. Diversification has been challenging for investors, with bond and equity markets falling together in a correlated manner and a style rotation from growth to value further changing investor demand.

Business performance

AUM declined from £60.5bn as at 31 December 2021 to £50.2bn as at 31 December 2022, primarily driven by market declines of £6.8bn coupled with continued outflows of £3.5bn. Aside from the prior year's performance fees, which were not expected to be repeated, the decline in AUM was the primary driver of the decrease in underlying profit before tax (PBT) to £77.6m (31 December 2021: £216.7m).

Once again the Group has achieved very strong gross sales of £15.1bn (31 December 2021: £16.5bn), but this has been offset by outflows from some of our strategies. This includes two of our larger strategies; our unconstrained fixed income franchise, where there has been reduced investor appetite for bond markets, and our small and UK Mid Cap, the performance of which has been impacted by a higher weighting in growth-oriented stocks.

We are encouraged that net flows improved considerably in the second half of the year to a net inflow position of £0.1bn from £3.6bn net outflows in the first half. This was due to a number of large segregated mandate wins from institutional clients, the development of which has been a strategic priority for the Group. It is pleasing to see our recent investments starting to deliver in this key growth area. For further information on our business performance please see our CEO and CFO statements on pages 10 and 22 respectively.

CEO transition

The most important change made to the management of our business was the appointment of Matt Beesley as CEO, effective 1 October 2022. A key role of the Board is to ensure that there are appropriate succession plans in place for Board and senior management roles. When Andrew Formica joined Jupiter as the Group CEO in March 2019, he indicated his anticipated tenure in the role and the Board had developed succession plans aligned to this. Further information on the process can be found within our Nomination Committee Report on page 94.

Matt joined the business in January 2022 as Group Chief Investment Officer (CIO) and his appointment strengthened the pipeline of talent within the organisation. He has made an immediate impact on the business. He has developed and implemented plans to rationalise the Group's fund range, to ensure it is more coherent for our clients and to reduce complexity. Since his appointment as CEO, Matt has taken decisive actions to promote Jupiter's success and adapt to market and industry conditions. He has shown strong leadership skills and brings dynamism and energy to the role. The Board is encouraged by the progress Matt has made in evolving and adding to the Group's strategy, as well as addressing many short-term challenges in the current economic environment. We look forward to working with him and his management team to deliver for all of Jupiter's stakeholders.

On behalf of the Board, I would like to extend our thanks to Andrew Formica, who has led the firm over the last three and a half years, through what has been exceptional circumstances. Andrew prioritised investments in key areas such as our institutional business which are delivering positive benefits, as well as completing the Merian Global Investors Limited (Merian) acquisition which has created a more resilient business and provided additional growth opportunities.

Board and senior management

There have been two further changes to the Board during the year. Suzy Neubert was appointed as a Non-Executive Director on 1 March 2022. The Board is delighted with the contribution Suzy has made, particularly her knowledge of distribution and marketing. Polly Williams stepped down as a Non-Executive Director after serving eight years on the Board. I would like to thank Polly once again for her material contribution to the Group's development and expert stewardship of our Audit and Risk Committee. In line with our succession plans, David Cruickshank has successfully taken over as Chair of the Audit and Risk Committee.

Chris Parkin, a Non-Executive Director and representative of one of our major shareholders, TA Associates, has confirmed he will not seek re-election as a Director at the 2023 annual general meeting (AGM). Chris joined the Board following the acquisition of Merian from TA Associates in July 2020 and has played an important role in the integration of Merian and future strategy of the enlarged group. Although TA Associates retain the right to appoint an individual to the Board while they hold 10% or more of the issued share capital, this right will be waived and it is not currently proposed to replace Chris on the Board. I would like to take the opportunity to thank Chris for the support throughout the Merian integration and for his sharp strategic insights provided during his tenure.

Matt has made a number of changes to his executive team, with a streamlined Executive Committee and the introduction of a senior management team (SMT), which has a broader membership from across the business. The SMT's remit is to assist the Executive Committee in the efficient execution of the Group's strategy.

Following Matt's appointment as CEO, the management structure of Investment Management has also been changed, with the appointment of both a Head of Equities and Head of Fixed Income replacing the former CIO role. Our Group Risk and Compliance team have also been restructured with a separation of the functions under newly created roles; Head of Risk and Head of Compliance, both of whom now report into our CFO, Wayne Mepham.

All of the above-mentioned roles have joined the SMT and further information on our governance can be found in the Governance Report, starting on page 74.

Purpose, culture and strategy

Our purpose is clear - we create a better future for our clients and the planet with our active investment excellence.

We have reviewed and refined our purpose statement to focus on outcomes and ensure sustainability is woven through all we do. Our clients have always been at the centre of our business and as stewards of their capital we are responsible for deploying this in a sustainable way, cognisant of our impact on, and responsibility to, the planet. We have previously committed to achieving net zero across our business operations and our product range by 2050. We have also signed the Finance for Biodiversity Pledge, which commits us to protecting and restoring biodiversity through our investments. Further information on our sustainability strategy and progress thereon can be found from page 38.

We have continued to focus on Jupiter's culture, especially in light of the level of change across the organisation. Ensuring we have the right people and the right culture is essential to achieving our purpose and strategy. In light of the competitive talent market, staff retention has been a priority throughout the year. We have targeted salary increases to support our junior staff during the cost of living crisis. We have also focused on supporting our employees, with improved policies to support our staff at key points in their lives and careers.

Although we have maintained our focus on the key strategic growth areas we have previously highlighted, institutional, international and sustainability, Matt has reviewed, re-prioritised and refined these, in order to accelerate our growth. Further information can be found in the CEO report on page 10.

Business initiatives

There have been a number of changes already implemented or in progress to help drive the success of Jupiter. As previously mentioned, Matt has launched a fund rationalisation programme with a 25% reduction in funds by number, which will reduce complexity and addresses product proliferation. At the year end, almost half of the proposed product changes had been implemented.

In our Q3 trading statement in October 2022 we provided a business update, in light of Matt's recent appointment, which included the announcement of a programme to simplify our structure and reduce costs. These are never easy decisions to take and the Board carefully considered the impact on our stakeholders. However, in light of the market environment and the broader challenge for the asset management industry, these changes were necessary. There has been extensive engagement with, and support offered to, our employees and further information can be found from page 56.

There is a large amount of regulatory change driving the business' agenda and we are seeing increasing divergence of requirements across jurisdictions. On 1 January 2023, we became an enhanced firm under the Financial Conduct Authority's (FCA) Senior Manager and Certification Regime (SMCR). We have commenced a project to ensure our compliance with the new Consumer Duty requirements and this is a key priority for 2023, which we are embedding within our broader conduct framework.

Capital policy

A further development announced with the Q3 trading statement was to our capital policy. From full year 2023 we will move away from a progressive dividend policy and our ordinary dividend policy will be set to 50% of pre-performance fee earnings and not subject to the previous year's minimum amount. The Board has also confirmed that it will continue to make additional returns of capital on a periodic basis, based on the needs of the business for growth and maintaining a healthy regulatory surplus.

In line with our previous guidance we are returning 70% of the cumulative underlying earnings per share (EPS) for 2021 and 2022. Pursuant to that, and in light of the Group's strong capital position and Company valuation, the Board approved a share repurchase programme to the value of £10m, which was completed on 20 January 2023. In total the Company bought back just over 8m shares for a weighted average price of £1.237.

In transitioning to our new dividend policy and in line with our previous guidance, the Board has approved an additional return of capital to shareholders, of up to £16m, which will be completed through a further share repurchase programme. The programme will commence later in 2023 and all shares purchased under the programme will be cancelled. The Board have also recommended to shareholders a final dividend for the year ended 31 December 2022 in the amount of 0.5p per share. If approved by shareholders at the 2023 AGM the dividend will be paid on 19 May 2023 to those shareholders on the register on 21 April 2023. Further information on our capital policy can be found on page 28.

Outlook

Whilst the wider macro-economic environment and industry headwinds remain challenging, we have already taken decisive action to reduce the complexity and costs in our business and to ensure our product range delivers solutions for our clients' needs. We believe our refocused strategy and increased agility will help to drive Jupiter's success for the benefit of all our stakeholders.

I would like to thank all of our stakeholders, particularly our employees who have continued to work tirelessly on behalf of our clients, throughout a challenging and very active period, and our clients who continue to trust us with the effective stewardship of their investments.

NICHOLA PEASE
Non-Executive Chair

AGILE
& FOCUSED

FOCUSING ON BECOMING A MORE AGILE BUSINESS

Although the active management industry is strong and growing, it is clear that there are a number of challenges to future growth. These challenges have been exacerbated by the volatile market and economic backdrop over the last year.

Investment managers face top line pressure from both ongoing reductions to fees and from declining markets. These fee pressures arise from a number of areas, including pricing pressures from competition but also ongoing shifts towards lower priced areas. Concurrently, there are pressures on costs, with operational complexity increasing and regulatory focus continuing unabated.

Against this backdrop, it is critical that Jupiter remains relentless in its pursuit of efficiency. We have an opportunity to be agile in shaping our operating model. If we can improve our overall efficiency and drive scalability, this will be key in freeing up capacity to invest in areas where we expect to deliver increased scale or new areas of growth.

In 2022, we have reviewed our entire operating model to drive efficiencies and to create capacity for future growth.

We have reviewed our product range and concluded that we had too many funds which were sub-scale or undifferentiated, which risked diluting our active, high-conviction approach. Through closures, mergers and repositionings, almost one third of our mutual fund range will be impacted and, once complete, we will have reduced the range by around 25%.

We have also undertaken a restructuring programme. Governance structures have been changed to enable robust but faster decision making. Our Executive Committee is now smaller, more agile and able to take key decisions quicker – backed up by a broader senior management team. The restructuring programme has resulted in our headcount being some 15% lower than had been previously planned.

With a relentless focus on efficiency and on value for money, we have also reviewed all of our supplier relationships and challenged those costs, particularly in areas of discretionary spend.

These decisive management actions have reduced undue complexity in Jupiter and positioned ourselves for future growth.

A MORE FOCUSED AND AGILE BUSINESS

"Jupiter has all the right foundations to continue to be a leading and successful investment management business. We are intensely focused on improving the aspects of our business that we can control to deliver the best possible outcomes for all of our stakeholders."

MATTHEW BEESLEY
CHIEF EXECUTIVE OFFICER

It was with a great sense of pride that I stepped into the role of Chief Executive Officer on 1 October 2022, and I am honoured to be writing this, my first letter to you, our stakeholders, in this year's Annual Report and Accounts.

In the eight months preceding my appointment, I was fortunate enough to get an excellent grounding in the business during my time as Jupiter's Chief Investment Officer. It was clear to me when I joined that we had a range of distinctive and differentiated investment propositions that were helping address a range of unmet client needs. Investment management businesses are human capital businesses and Jupiter was – and is – full of talented and committed people from a range of different geographies and backgrounds, all striving to deliver exceptional investment outcomes and client service for our increasingly broad client base.

This is the bedrock on which successful investment management businesses are built and Jupiter has all the right foundations to continue to be a leading and successful investment management business. My immediate focus has been on sharpening this client proposition.

The last few years, however, have undoubtedly been challenging for our company but also our wider industry, with the economic backdrop of the last 12 months putting us under further pressure. Our share price fell by just under 50% last year and at the end of the year was almost 75% off its high point at the end of 2017. All of our permanent employees are also shareholders, so we have been aligned through this difficult period.

Importantly, we are all very focused on making the necessary changes to address the issues we face. While we recognise that there are many aspects we can't control, such as the rise and fall of asset prices, we are intensely focused on the aspects that we can control to deliver the best possible outcomes for all of our stakeholders.

As your newly appointed Chief Executive Officer, I inherit a company where much has already been done to evolve the business and set it up for future success. There is more to do, but it is our hope and expectation that shareholders will soon start to see the benefits of our previous endeavours manifest themselves in improved shareholder returns. These areas of strategic focus will also help solidify the Group's position in the years to come, as a leading active investment management company.

A challenging year but with signs of improvement

Last year was a challenging year for the global economy and by extension therefore for all financial markets. At the start of the year, pandemic-related demand and supply side effects were already very visible across a range of geographies and sectors. Inflation was elevated, but in many cases was thought to be somewhat transitory, given it was largely as a result of post-pandemic imbalances across global supply chains.

However, the invasion of Ukraine by Russia in February 2022 led to a sharp rise in the oil price and with this, significant knock-on effects for wider energy and power prices. As companies sought to preserve their profitability, we saw price increases across the economy, with inflation soaring and consumers' real income sharply declining.

Central banks responded swiftly, raising interest rates from historic lows to try to contain these inflationary pressures. The extent to which this will be successful, will likely only start to be evident in the year ahead. Against this uncertain economic outlook and an inflationary environment not seen in over 40 years, it is perhaps no surprise that most asset markets have declined in value over the last twelve months.

Despite our increasingly globally diverse business, Jupiter still has a significant bias towards the United Kingdom. Political change and the economic uncertainty that followed as a result of three different governments within just a few short months, not only impacted the UK bond and equity markets but also had a significant impact on the value of Sterling, falling to some of the lowest levels we have ever seen.

The impact on asset prices and subsequent volatility was a further negative for investor confidence and it was inevitable our profitability would suffer. More details on this can be found in the CFO review on page 22, but underlying profit before tax and exceptional items decreased 64% to £77.6m (2021: £216.7m) and underlying EPS fell in line with this decrease in profitability to 11.3p (2021: 31.7p). Against this challenging backdrop, we have remained focused on ensuring the business is well-positioned for long-term growth.

An improving flow picture

This challenging backdrop for industry flows was similarly reflected in our own experience, and in the first half of the year we saw £3.6bn of net outflows of client assets. Although the second half of the year remained challenging for the industry, encouragingly we saw a marked improvement in client activity reflective of increased interest in some of our own unique investment capabilities.

Overall, we saw net outflows of £3.5bn, but flows were slightly net positive in the second half, driven by positive net inflows in the fourth quarter of £0.6bn.

Gross flows remained strong, finishing the year on £15.1bn. Importantly, a significant amount of these gross flows were into investment areas where we have a smaller presence and are still building track records, or in client segments where our presence is more nascent.

We saw particular success with institutional clients this year as the focus over the last three years began to come through in terms of new mandates funding. We generated gross flows of £3.1bn from institutional clients and net new business of £2bn, both of which were records for Jupiter. Our total AUM in this channel increased to £6.8bn, which represents 14% of the Group.

From an investment capability perspective, we saw strong flows into our Asian Income capability, Global Sustainable Equities strategy and our Strategic Absolute Return Bond fund. Collectively, these three strategies saw total net inflows of just under £1bn. We also saw a strong turnaround in performance in the Systematic team's Global Equity Absolute Return fund, which now has first quartile performance across most time periods and moved into net positive sales.

While the outlook for the year ahead remains uncertain, we are encouraged by what we see as an increasing alignment between client needs and our differentiated and distinctive investment capabilities.

More details on our flows and AUM can be found on page 24.

Active, high-conviction investment

Our purpose is clear: we create a better future for our clients and the planet with our active investment excellence.

At Jupiter, we are solely focused on active management. Whilst we recognise that passive management has a role to play for many of our clients, we are reassured that active AUM accounts for over three-quarters of total industry assets and 90% of industry revenues. Furthermore, this continues to be a growing industry. From 2005 to the end of last year, assets in actively managed products have grown 9% per annum. For a high-conviction active manager such as Jupiter, there's a significant market to aim for here.

Recent market dynamics have created a challenging backdrop for our own particular set of investment capabilities. Markets have been highly correlated and the dispersion of returns relatively low compared to history, which have limited the ability for those management strategies focused on bottom-up individual asset selection.

In some cases, style headwinds for certain of our investment capabilities have been particularly strong. In aggregate, this has led to a weaker overall investment performance outcome than we would expect. For the three years to the end of December 2022, 51% of our mutual fund AUM was above the median within their respective peer groups, which is down from 58% at the end of 2021. For the five-year period to the end of December 2022, 53% of our AUM in mutual funds was outperforming.

These figures are not where we would aim to be, but they have been driven by a small number of large funds moving below their peer group median through the year. The majority of our mutual funds with over £1bn of AUM are outperforming their peer group over one, three and five years.

More details on our investment performance can be found on page 32.

Building on our foundations and making space for growth

Despite the underlying growth in our industry, the current pressures on fees from competitors and falling markets, plus the pressures from rising costs, make it vital that we are relentless in our pursuit of efficiency and scalability across our entire business.

These disruptive forces can create opportunities if we stay focused on building an efficient model and driving scalability to meet our clients' changing needs. Client needs are becoming more complex, and our relationships with them are now more multi-faceted than ever before. With many clients no longer solely focused on performance versus a benchmark or peer group, this is a great opportunity for us to build deeper, longer-lasting relationships. They also expect a higher level of service and reporting while product trends are shifting too, away from single-country and regional products, towards more global and more thematic styles.

At Jupiter, we have strong foundations in place to allow us to meet these evolving and growing client needs. However, we have started to make further changes to ensure we are optimally set up to capture this growth opportunity.

In 2022, I instigated a restructuring of our fund range, recognising that we had too many sub-scale, non-differentiated funds that were diluting our active proposition. There were also a number of areas where we had overlapping capabilities, or were present in areas of limited client demand. Across the whole product range, 46% of our mutual funds had less than one hundred million pounds of assets so we have made changes to simplify our range of capabilities to better reflect client needs. In total, through a series of closures, mergers and repositionings, changes have been made to almost a third of the fund range.

Once the changes are completed later in 2023, we will have around 25% fewer funds by number. Importantly, because these endeavours have been focused on our sub-scale funds, only 4% of overall Group AUM has been impacted and total outflow as a result of these changes is estimated to be substantially lower than this at around £140m to the end of the year. More details on this can be found on page 34.

Last year, we also focused on simplifying our operating structure, reducing our headcount, and reviewing our geographical footprint as we look to build an increasingly efficient and scalable model. We instigated a restructuring programme that led to a reduction in our planned headcount of around 15%. Along with my management team, I would like to again thank those who have been affected by this restructuring for all their hard work while they have been at Jupiter and to wish them the very best for the future. The full impacts of these changes won't be seen until later in 2023 and there are additional details on this in the CFO review from page 22.

We also made changes to our governance structures to support robust, but faster decision making. On being appointed as CEO, I made changes to the Executive Committee, creating a smaller group to allow for more nimble and decisive action, supported by a broader senior management team, with the right experience to ensure effective and disciplined execution of our current and future strategic plans.

Together, all of these changes will make us more effective and efficient in serving our clients.

Our strategic focus

The areas of strategic focus that I have inherited as CEO are appropriate and necessary, but are unlikely to be sufficient to drive us forward given our growth ambitions. Therefore as we look forward, we will focus our attention on four key strategic objectives. These are to:

- Increase scale…in select geographies and channels;
- Decrease undue complexity…with costs managed carefully through a relentless pursuit of efficiency;
- Broaden our appeal to clients…with new and existing investment strategies, while also exploring additional methods of delivery; and
- Deepen relationships with all stakeholders…with purpose and sustainability embedded in all we do.

For each of these, we have identified a number of specific, quantifiable and measurable aims. We would not necessarily expect to achieve success in each of these immediately or in a linear fashion, but we are focused on working towards these key priorities.

Increase scale…in select geographies and channels

We will incrementally invest to scale up our business in a number of geographies. As we scale up, we will look to grow our market share, increase our AUM, and significantly improve both the profit contribution and profitability from these and a number of other focus markets.

We will continue to build out the breadth of our fixed income capability, where we have significant opportunities outside of our leading globally-focused Strategic and Dynamic Bond franchise. We currently manage £1.9bn of client assets in other fixed income strategies, and we will look to grow this number.

We will continue to invest to grow and scale up our institutional business, seeking to introduce more clients to our distinctive and differentiated investment capabilities. We have seen a record number of RFPs in 2022. We now have 18 'Buy' ratings from consultants and our late-stage pipeline of new potential business is as large as it has ever been. Institutional client money tends to be managed with lower fees, but client relationships can be longer lasting and over time, with scale, can be at least as profitable. Our rolling three-year growth rate in assets under management from institutional clients is 20% and we expect to see ongoing growth.

As above, we will continue to build critical mass and scale across a range of new and emerging franchises. We have 26 funds and mandates that have been launched less than five years ago where individual AUM is also less than £1bn. Total AUM in these funds is almost £4bn and they generated almost £700m of net inflows in 2022, having seen inflows of more than £900m in 2021. Should client interests stay focused on these asset classes, we would expect to grow AUM in these funds further in 2023.

Decrease undue complexity…with costs managed carefully through a relentless pursuit of efficiency

We remain relentless in our pursuit of efficiency across the business. Costs are carefully managed, with a zero-budget based mentality applied across our cost base.

We will also continue with our review of our operating model and where possible, we will seek to increase automation, using technology to improve efficiency.

Over the longer term, we will focus on appropriately managing our cost:income ratio, with each of the above areas likely to positively impact this important key performance indicator (KPI) which, at end 2022, was 69%.

Broaden our appeal to clients…with new and existing investment strategies, while also exploring additional methods of delivery

Beyond those changes we are already making, we will continue to carefully curate our product range to ensure that our offering remains distinctive and differentiated. We intend to launch a new range of thematic funds in 2023 and are exploring developing our absolute return offering. Products we launched in the last three years represent 13% of our current fund range by number. With ongoing product development, we would expect this figure to remain at around 10% over the medium term.

Building relationships with new clients and deepening existing strategic relationships will remain a key focus. We have moved to survey a portion of our client base each year and will use this feedback to measure our success towards this goal. Our top 20 clients currently account for £19.5bn of AUM or 39% of Group AUM. We aim to concurrently increase that absolute level of AUM but decrease the percentage as we grow business with our key clients but continue to diversify and broaden our client base.

We want our clients to get excited about everything we do, to feel the energy and dynamism of our firm as we seek to address their investment needs. While delivering active investment excellence is the essence of our business, we want our clients to know how we are using technology to increase levels of client reporting, data sharing and knowledge transfer. We are a firm that is evolving to the ultimate benefit of all our stakeholders, but notably, you, our shareholders.

Looking further ahead, we recognise that clients may soon look beyond traditional mutual fund structures to get access to our investment excellence. We are committed to exploring new methods of delivery and are currently evaluating the merits of launching active ETFs.

Deepen relationships with all stakeholders…with purpose and sustainability embedded in all we do

Sustainability is already woven through the fabric of our firm. As we move forward, we will endeavour to ensure that it remains thoughtfully and authentically embedded, and appropriately measured, in all that we do. Whilst there is no single measure of success here, we'll look to gain the highest possible ratings and commendations from independent third parties, grow AUM within our sustainability-focused products and continue on our journey towards net zero. More information can be found from page 38.

I am a passionate believer in the need to be purposeful as a company in all that we do and ensure we play an effective role in creating a better future for our planet. In 2022, working with our partner, Arrival Education, we launched a programme we have called 'Financial Confidence' designed to help young adults better navigate and manage their financial affairs, more details of which are on page 41.

We continue to be active members of the Investment20/20 scheme which helps young people from a wide range of backgrounds to access our industry. Attracting and retaining a diverse and talented workforce is crucial if we are to effectively understand and serve our clients. As CEO, I personally lead our diversity, equity and inclusion (DE&I) initiatives at Jupiter and am committed to building a more diverse and inclusive workforce where all of our colleagues can thrive and deliver on their full potential. We carefully monitor turnover of staff and judge our effectiveness in being an employer of choice via staff surveys. More details on this can be found in our People and Culture section from page 56.

At Jupiter we exist to serve our clients, but to be successful we need effective and sustainable relationships with all of our stakeholders and while no one single measure can capture the extent to which we are succeeding here, as part of our dashboard of KPIs, we measure a number of performance metrics including Total Shareholder Returns. We will endeavour to grow these measures over time.

Looking forward to 2023

2022 has been challenging for all stakeholders but I believe our plans to evolve our strategic focus will put us in a strong position to build on the success of early strategic initiatives that have already made a difference, including the rationalisation of our fund range and the decision to build out our institutional business.

I want to thank our clients for their ongoing support, our shareholders for their patience and my colleagues for their efforts in embracing change to ensure the future success of Jupiter.

The medium-term outlook for our business is encouraging and I am proud to be leading this company forward.

MATTHEW BEESLEY
Chief Executive Officer

Q&A

Taking actions and identifying opportunities with Matthew Beesley

What has surprised you taking over at Jupiter?
Jupiter on the inside is the same business as it appears on the outside. It is full of very talented people solely focused on helping clients achieve their own financial objectives. The key attraction for me was the chance to work with such an impressive array of investment and non-investment professionals.

What have been your most immediate priorities?
In rationalising the product range, reviewing our operating model and with that, streamlining our employee base and evolving our management structure, we have sharpened our active investment proposition, enabling us to be more efficient and effective in better serving our clients' needs.

What will be Jupiter's key growth areas next year?
The exciting opportunity for Jupiter is that there are an array of investment strategies and client channels and geographies that could drive growth in 2023 and beyond. Client needs and preferences change and we have to be ready to adapt accordingly, so a diversified array of capabilities is important.

What are Jupiter's biggest challenges?
Our biggest challenges have always been and always will be the things that we can't control, with the level of financial markets clearly potentially the most impactful. We have to remain alert to this and focus on managing what we can control.

What are you most excited about going into 2023 and beyond?
Of the things that we do control, I am very excited about the strong maturing track records of a number of relatively new investment strategies, as well as the traction we are gaining in a number of relatively new channels and geographies in which we are building a presence.

MARKET TRENDS

A number of market trends have impacted our business and the wider industry through 2022. Four key trends are detailed below along with how Jupiter has responded.

1 A VOLATILE MARKET BACKDROP

Context

2022 was a year of greatly heightened market volatility. As economies around the world continued to suffer from the impact of the pandemic, war in Ukraine resulted in falling markets and steeply rising inflation, particularly in the first half of the year. Political turmoil, notably in the UK, had material impact on currency markets, with Sterling falling to some of the lowest ever levels against the US Dollar. Diversification proved challenging for investors, as bond and equity markets fell together, with the highest negative correlation seen for some 30 years.

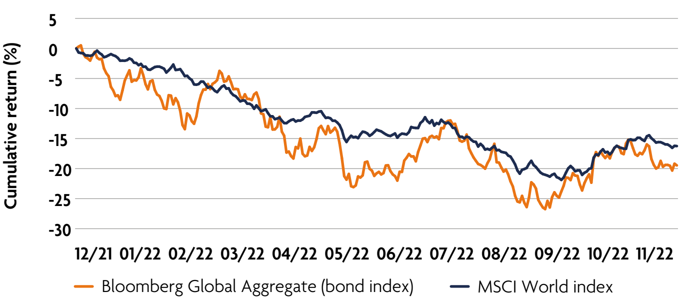
Jupiter's response

While volatility is not necessarily a problem for active managers, indeed can be a positive, the challenge this year was the combination of narrow markets and high degrees of correlation between traditional asset classes. Jupiter was impacted by this, affecting the overall aggregate investment performance.

However, Jupiter is a high-conviction truly active manager, which does not impose a house view upon our investment professionals. As a result, we have a product range that is diversified across styles and investment processes, with strategies suitable for different market environments.

The volatile market backdrop has been more conducive for our alternatives, absolute return range, most notably the Global Equity Absolute Return and Strategic Absolute Return Bond funds. Both made positive investment returns this year and generated net positive client inflows.

In 2022, diversification was hard to find



Source: Bloomberg, as at 31 December 2022

2 A SPIKE IN INFLATION

Context

Along with volatile markets and currencies, another challenge faced by investors this year was rising inflation. Pressures on global supply chains and the impact on energy prices following the invasion of Ukraine pushed inflation to its highest rate for 40 years.

In order to attempt to control inflation, central banks globally embarked upon aggressive cycles of hiking interest rates. The Bank of England raised rates eight times up to the end of 2022, while the Federal Reserve raised rates to 4.5%, its sixth consecutive hike and the highest level since 2008. As a result, we saw bond yields rise and prices fall, adversely impacting client demand for fixed income strategies.

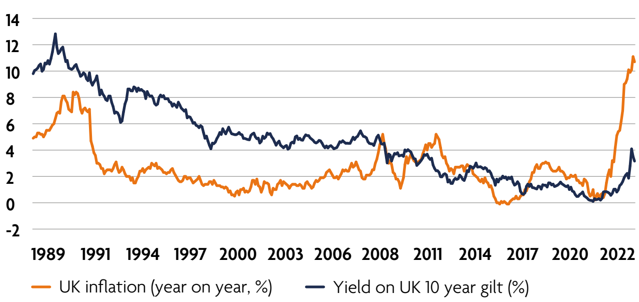
Jupiter's response

Jupiter is a diversified active asset manager and we do not impose any house view upon our investment managers. As such, we have a broad range of differentiated strategies, which are suitable across market backdrops, including in an inflationary environment.

Absolute return funds performed well and we were able to discuss with our clients the breadth of our fixed income offering. The Strategic Absolute Return Bond fund has a flexible approach which can take a position that benefits from falling bond markets.

Although European and Asian retail clients redeemed assets from Dynamic Bond towards the start of the year, there was renewed interest in the second half of the year as clients turned more positive on duration.

Inflation rose dramatically in 2022



Source: Bloomberg, as at 31 December 2022

3 EVOLVING CLIENT DEMANDS

Context

Client demands for investment products continued to evolve through 2022. Passive strategies continued to attract client interest, exerting pressure on fees across the industry. Investor appetite for single country and some regionally-focused products continued to diminish, with increased flows towards more global or thematic-focused strategies. As the available universe of public companies receded yet further, clients allocated more of their portfolios towards unlisted and private assets.

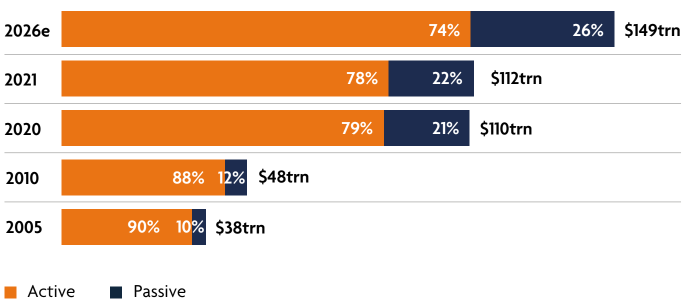
Jupiter's response

We remain fully committed to active, high-conviction investment management. While we acknowledge that passive products have a role to play for many of our clients, asset management continues to be dominated by active management. Active AUM grew by 9% per annum in the 15 years from 2005 and last year accounted for nearly 80% of industry AUM and over 90% of revenues. However, passive continues to take market share and is driving pricing pressures.

We are not immune to muted client demand for single country and regionally-focused products, with significant AUM in UK and European equities. However, Jupiter has a strong product line up of globally-focused products and all of our recent product launches have invested on a global basis. NZS Capital's global growth strategies, Global Value and Global Sustainable Equities all performed well this year and generated net inflows. After a challenging start to the year, we also saw clients reallocating to our unconstrained global fixed income strategies in the second half.

We will continue to evolve our product range to meet our clients' needs. We are exploring possible opportunities within private assets and will launch a range of globally-focused thematic funds in 2023.

Global AUM by product



AUM in 2021. Source: Boston Consulting Group, From Tailwinds to Turbulence, May 2022.

4 FOCUS ON SUSTAINABILITY

Context

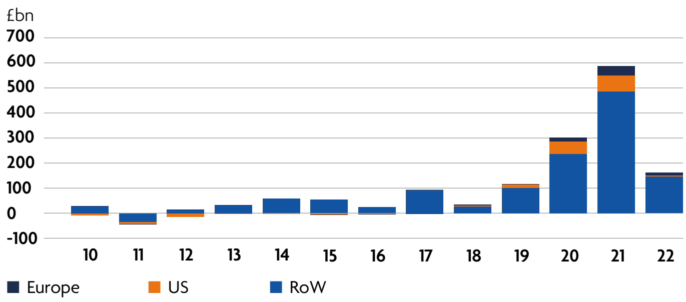
Despite geopolitical developments presenting some challenges to the growth of sustainable finance and investment in 2022, the direction of travel remains clear. Regulators and policy makers across all jurisdictions signalled their intention to drive the shift towards a sustainable, net zero, global economy through the creation of robust and client-friendly sustainable finance regimes.

Jupiter's response

We are supportive of the accelerating shift to a sustainable global economy. We welcome clear regulation and policy making that helps consumers make informed decisions about how to invest for a safe and secure net zero future and enables capital to flow to sustainable businesses. As an active manager, we consider ESG issues across all our investment strategies and we also offer dedicated funds investing in the transition to a sustainable global economy and environmental solutions. This year, we saw net inflows of over £250m into our sustainability-labelled range of strategies.

The geopolitical events in 2022 that shaped the global economy in unexpected ways have highlighted the need for secure, affordable, sustainable, and equitable energy systems. We believe that we play an important societal role by investing to create secure futures for our clients in a way that also accounts for our wider responsibilities for people and planet and we remain fully committed to supporting the transition to a sustainable, low-carbon economy through our operations and our investments.

Continued net inflows into sustainable funds



Source: Morningstar as at 31 December 2022. Estimate aggregate net flows of funds classified as sustainable by prospectus.

OUR STRATEGY

Through 2022, we have refined our strategic objectives. We remain focused on active, high-conviction investment excellence and have identified four key strategic objectives to drive future growth.

Strategic objectives and key priorities

1 INCREASE SCALE

...in select geographies and channels

- Targeted geographies
- Institutional client channel
- New and emerging franchises

2 DECREASE UNDUE COMPLEXITY

...with costs managed carefully through a relentless pursuit of efficiency

- Disciplined cost management
- Automation and technology
- Supplier outsource and consolidation

3 BROADEN OUR APPEAL TO CLIENTS

...with a curated product offering, while exploring new methods of delivery

- Contemporary product offering with active investment excellence
- Partnerships and new methods of delivery
- Sharing knowledge and data

4 DEEPEN RELATIONSHIPS WITH ALL STAKEHOLDERS

...with purpose and sustainability embedded in all we do

- Positive impact on society
- Diverse and talented workforce
- Shareholder returns and relationships

WE CREATE A BETTER FUTURE FOR OUR CLIENTS AND THE PLANET WITH OUR ACTIVE INVESTMENT EXCELLENCE

Progress in 2022	Links to KPIs	Links to principal risks
• Grew AUM from international clients to 32% of Group total and generated slightly net positive flows. • Generated record £3bn gross and £2bn net flows from institutional clients. Total assets in the client channel now accounts for 14% of Group AUM. • Continued to diversify our fixed income capabilities.	• Assets under management • Net flows • Net management fees • Underlying earnings per share • Cost:income ratio • Total shareholder return	• Strategic risk • Market risk • Regulatory risk • Technology and information security risk
• Conducted rationalisation of sub-scale or undifferentiated funds, which will ultimately reduce the number of funds by 25%. • Implemented a restructuring programme, reducing planned headcount by 15% and simplifying management structures. • Completed review across operating model, including outsource providers.	• Underlying earnings per share • Cost:income ratio • Total shareholder return	• Strategic risk • Market risk • Outsourcing and supplier risk • Regulatory risk • Technology and information security risk
• Launched new strategies in key areas of client demand, including Dynamic Bond ESG. • Launched vehicles to offer our capabilities to a wider range of clients, including US-domiciled vehicles of GSE and GEM Focus. • Announced launch of thematic fund range later in 2023.	• Investment performance • Assets under management • Net flows • Net management fees • Underlying earnings per share • Total shareholder return	• Strategic risk • Market risk • Regulatory risk
• Achieved Tier 1 status for the Financial Reporting Council (FRC) Stewardship code. AAA score from MSCI and A- from CDP, which places us in 'leadership' category. • Improved employee engagement score to 71%. • Returned 8.4p through ordinary dividends, completed a £10m share repurchase programme and announced a £16m extension to the programme.	• Employee engagement • Underlying earnings per share • Total shareholder return	• Strategic risk • People risk • Regulatory risk

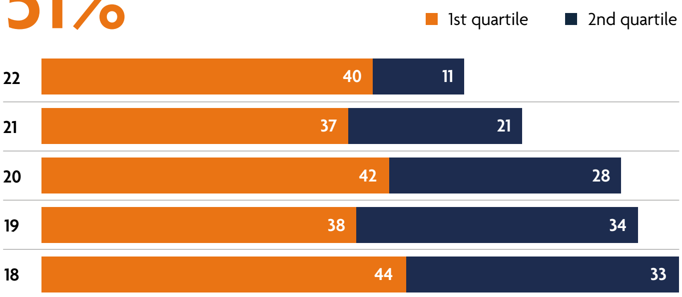
OUR PERFORMANCE

How we performed in 2022. Our KPIs enable us to monitor our progress.

NON-FINANCIAL KPIs

Investment performance (%)

51%



Percentage of our mutual fund AUM above the median over three years. 51% of mutual fund AUM was outperforming their peer group over a three-year period (2021: 58%). The decline was due to three larger funds moving below their median, primarily as the market rotated towards a value-style of investing. Over one year, 49% of AUM outperformed and over five years the figure was 53%. More details can be found on page 32.

Why this is important: Investment performance is the lead indicator for our continued success and demonstrates our competitive advantage in delivering investment excellence for clients.

Assets under management (£bn)

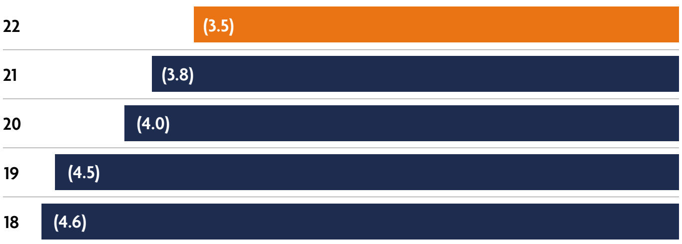
£50.2bn

The total value of assets which we manage on behalf of our clients. AUM ended the year at £50.2bn. The decrease from the prior year was driven by highly volatile and downward trending markets, subduing asset values and negatively impacting investor sentiment. Falling markets reduced AUM by £6.8bn while net outflows were £3.5bn.

Why this is important: AUM is the basis on which we earn management fees and how we generate the majority of our revenue. Growing assets under management through investment performance and positive net flows demonstrates our ability to deliver investment outcomes and to attract and retain clients.

Net flows (£bn)

£(3.5)bn



Net flows are the gross inflows to our investment strategies less redemptions during the year. Gross inflows remained strong at £15.1bn. Volatile markets and challenging economic conditions weighed upon investor sentiment, particularly in the retail channel in the first half. Despite this, we saw record net inflows in the institutional channel of £2.0bn and generated overall net positive inflows in the second half. More details can be found on page 24.

Why this is important: Net flows are a lagging indicator of investment success, reflecting our ability to deliver investment performance that attracts client funds, and to grow our distribution.

Employee engagement (%)

71%

The combined score from a number of key questions in our employee engagement survey. Our employee engagement score for 2022 was 71%, a one percentage point improvement on the prior year. We saw improvement in scores on a number of key metrics, including the belief that Jupiter puts clients first. A number of other areas were highlighted as having scope for improvement and action has been taken to do so. We currently only have two years' data for this KPI as we have not historically conducted comparable employee surveys.

Why this is important: The overall engagement score is a key metric for monitoring employee sentiment and demonstrates our ability to attract and retain talented employees.

Link to strategic priorities

1 Increase scale 2 Decrease undue complexity 3 Broaden our appeal to clients 4 Deepen relationships with all stakeholders

FINANCIAL KPIs

1 3

Net management fees (£m)

£384.8m

Fees earned from managing our funds, net of payments to our distribution partners. Net management fees decreased by £68.9m to £384.8m, driven by lower average AUM due to market falls and net outflows. The average net revenue margin declined by 2.5 basis points (bps) to 73.5bps, driven by a shift in business mix to lower margin business, including a greater proportion of our assets from institutional clients. We also generated £10.3m of performance fees.

Why this is important: Net management fees are the largest component of our revenue and demonstrate our ability to earn attractive fees by designing and successfully distributing products that deliver value to clients.

1 2 3 4

Underlying earnings per share (p)

11.3p

Underlying profit after tax divided by issued share capital. Underlying EPS decreased by 20.4p in 2022 to 11.3p. This decrease was in line with the trend in profitability.

Why this is important: EPS measures the overall effectiveness of our business model and drives both our dividend policy and the value generated for shareholders.

1 2

Cost:income ratio (%)

69%

The ratio of total operating costs divided by net revenue, excluding exceptional items and the impact of performance fees. The cost:income ratio increased in 2022 by eight percentage points to 69%. Costs have been managed with discipline and a focus on efficiency, but a combination of lower average AUM and pressure on management fee margins has resulted in lower revenue.

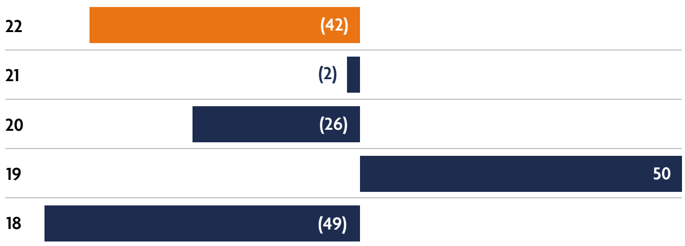
Why this is important: The management of the cost:income ratio demonstrates our ability to manage costs and to drive growth, within the context of inflationary pressures and falling fee margins.

OUTCOME KPI

1 2 3 4

Total shareholder return

(42)%



The total return experienced by our shareholders through a combination of share price movements and dividends paid. In challenging markets and despite a rise during the fourth quarter, our share price fell by 48% through the year, partially offset by dividends of 8.4 pence per share. We announced a £10m share repurchase programme, which was completed in January. Our TSR of (42)% compares to a (17)% average return across the FTSE 250. We have since announced a £16m extension to the buyback programme.

Why this is important: Total shareholder return demonstrates our ability to deliver a positive return to shareholders, through both share price performance and the distribution of additional capital.

HOW OUR ACTIVE APPROACH CREATES VALUE

Jupiter has a clear and effective value creation model, which helps us to generate value for our clients, shareholders, people and society.

OUR KEY RESOURCES

Truly active, high-conviction investment management

A client-led culture, designed to support, prioritise and deliver for our clients

Industry-leading talent, who are motivated and empowered

A commitment to sustainability across the Group

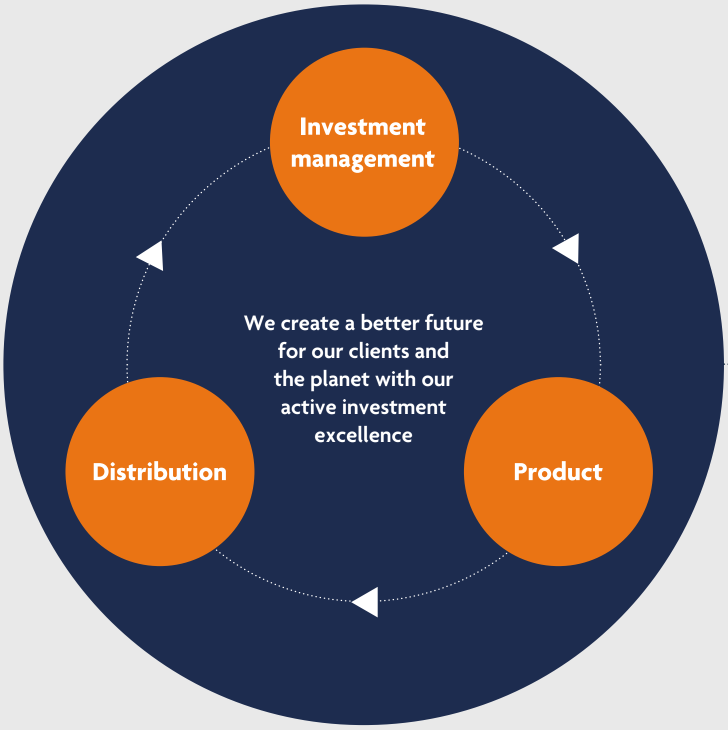
A broad range of diversified and differentiated product offerings

A diverse and inclusive culture, in which our people can grow and thrive

A strong capital base with healthy surplus capital

A robust capital allocation policy, balancing investment for growth with shareholder returns

WHAT WE DO



DRIVEN BY OUR ACTIVE APPROACH

Agile & focused

Active decisions to improve efficiency in the business

See page 8

High-conviction active strategies

Active investment management

See page 30

Investment management

- We are a specialist, high-conviction, truly active asset manager
- We do not have a house view, but allow our investment managers autonomy to follow their convictions
- We seek investment outperformance after all fees for our clients
- We actively engage with our investee companies, not only to drive financial results but also for societal benefits and a sustainable future

Product

- Our product development and governance structure brings together our investment management and distribution teams, to ensure our product offering is aligned to client needs
- Our product development strategy is focused on innovation to adapt to clients' changing needs

Distribution

- Basing our distribution structure around client types and geographies gives us a clear understanding of our clients' investment objectives, product and service needs
- In line with our culture, we build strong relationships with consultants

THE VALUE WE CREATE

For clients

Investment performance after all fees

We help our clients to meet their long-term investment goals, by delivering investment outperformance after fees.

51%
Mutual fund investment performance

For employees

Individual development

We have a culture that attracts and develops talent. We support and challenge our people to continuously develop.

71%
Employee engagement

For shareholders

Total returns

We balance investment for growth of the business with making return to shareholders. Our revised dividend policy means from 2023 we will pay ordinary dividends of 50% of pre-performance fee underlying earnings.

8.4p
Total dividend

For society

Stewardship

One of our biggest impacts comes from engaging with the companies we invest in. Each year, we hold more than 1,000 company meetings to obtain investor insights and, where relevant, challenge boards on issues affecting long-term value. We are focused on the sustainability of both investee companies and our own business.

827
Engagements with companies on ESG matters

Read more on our stakeholders on page 52.

Sustainability woven through the firm

Active decisions to promote sustainability
See page 36

Building a diverse and inclusive culture

Active decisions to drive diversity
See page 54

MAINTAINING OUR FOCUS IN CHALLENGING CONDITIONS

"In 2022 we took decisive action to restructure the business, balancing the delivery of an efficient and properly controlled business with investment for future growth."

WAYNE MEPHAM
CHIEF FINANCIAL OFFICER

Our results for 2022 reflect the impact of a number of wider economic factors, as well as specific matters directly impacting the Group.

It has been another year of significant change. Whilst we are making progress in repositioning the Group, wider market impacts outside of our control, and some structural headwinds, remind us that there is still more to do. Our focus remains clearly on delivering long-term sustainable growth both for our clients and our shareholders.

The severely adverse combination of macro-economic and geopolitical events impacted consumer confidence and asset valuations in the first three quarters of the year. A more optimistic sentiment emerged in the fourth quarter as we saw client activity increasing and a partial recovery in market levels.

In response to this adverse operating environment, we undertook a significant restructuring exercise and reviewed all our key supplier relationships. Regrettably, this resulted in the loss of over eighty roles as we looked to ensure our operating model aligned to our scale, balancing the delivery of an efficient and properly-controlled business with investment for future growth. I would like to reiterate my appreciation to those affected by the redundancy programme for the service they have provided during their time at Jupiter and wish them all the best in their future endeavours.

We remain focused on reducing complexity in the business, increasing scale in select geographies and channels and maintaining operational efficiency.

Although the overall financial results for 2022 are disappointing, with underlying PBT down 64% to £77.6m, we ended the year with the business better placed to deliver future growth.

We continue to present separately the impact of exceptional costs arising from the Merian acquisition on the Group's profitability. These costs are reducing and should be minimal by 2025, but still remained significant in 2022. As in the prior year, we have also disclosed our results excluding the impact of performance fees. In 2021, we earned larger than normal performance fees and these have returned to lower levels this year. Performance fees are more volatile by nature and the impact of accounting for deferred bonus awards over multiple years also impacts on profitability. This additional disclosure is intended to help users better understand our financial performance, including profits from ongoing revenues.

Statutory PBT was down 68% to £58.0m (2021: £183.7m) after the deduction of exceptional items of £19.6m (2021: £33.0m). Underlying EPS fell 64% to 11.3p (2021: 31.7p), in line with the decrease in profitability. Basic statutory EPS fell by 68% to 8.9p (2021: 27.6p).

After the uncertainty and disruption caused by the Covid-19 pandemic in 2020 and 2021, 2022 has been dominated by macro-economic and political uncertainty, with the concerning prospect of high inflation across most jurisdictions. The current combination of high inflation and declining growth has understandably put pressure on households, companies and governments, significantly dampening investor appetite to its lowest level in a decade. It remains to be seen how successful policies designed to counteract these pressures will be in 2023.

Within Jupiter itself, we remain focused on our agility, to ensure that we can deliver our strategy faster and more effectively, and that our client-centric approach enables us to deliver strong investment performance in capabilities that are relevant to our clients' changing needs.

We are focused on developing growth opportunities for the Group, offsetting the headwinds that we face in a number of areas. As I set out above, managing our business operations efficiently is important, but we have also retained investment in select areas, including key geographies and client channels where we are targeting greater scale. In 2022, flows from institutional clients began to emerge at strong levels and, importantly, high numbers of consultant ratings across a number of different capabilities. Building scale here is important, along with generating broader client relationships internationally. We have targeted these areas for a number of years and our focus is to ensure we have investment capabilities that are attractive to those clients and geographies to build greater scale, while retaining our strength in our core UK retail market.

Our 2022 AUM ended the year at £50.2bn, a £10.3bn decrease on the prior year, driven by a volatile, downward-trending market environment that impacted investor appetite and asset values and the consequential significant net outflows in retail funds. At the same time, however, we saw gross client flows sustained at very high levels again, at £15.1bn.

We were pleased to see our strategy of growing our AUM from segregated mandates and a broader institutional client base bearing fruit in the year, with net inflows of £2.0bn, most of which was funded in the second half of the year. The pipeline of new clients in this area is strong, and a major focus for growth of our business.

Investment performance was mixed, with volatility in markets impacting certain funds. We expect much of the reduction to be short-term in nature as markets recover and metrics realign to be within normal historic ranges.

In total, 51% of mutual funds outperformed relative to their peers over a three-year period, down from 58% in 2021; this was 53% over five years and 49% over one year. Notwithstanding the unusual market conditions in 2022, we are highly focused on ensuring strong service to our clients and that includes investment performance returning to our normal levels in the short to medium term.

Although 2022 has been a uniquely challenging year from many perspectives, we have worked hard to effect changes to put the Group on a secure footing, leaving it well-placed to respond quickly to change and with well-defined strategic aims and purpose.

Despite the impacts of challenging markets and bearish investor sentiment, the Group nevertheless continues to hold healthy levels of liquid assets and capital.

Last year, we made a commitment to return capital to shareholders and we reported that we expected it to be in the form of a share buyback programme when it is not required in the business. In 2022, we announced a £10m share buyback programme. We began this process in October 2022, purchasing and subsequently cancelling 8.1m of our ordinary shares.

In our Q3 trading update, we set out an updated capital allocation framework. We reset our dividend policy to pay out 50% of our underlying earnings excluding performance fees as ordinary dividends and retained our commitment to make additional returns of capital on a less frequent basis. We believe this is a sustainable position, balancing investment in the business with appropriate returns to shareholders, and puts the Group on a very secure footing with regard to its cash management.

In common with other asset managers, Jupiter continues to face challenging market conditions. Directing our resources into the most important areas that will address these and support long-term growth is our main priority.

	2022			2021		
	Before exceptional items and net performance fees £m	**Performance fee losses £m**	**Total £m**	Before exceptional items and net performance fees £m	Performance fee profits £m	Total £m
Net revenue	**387.0**	**10.3**	**397.3**	455.6	113.0	568.6
Fixed staff costs	**(82.4)**	**–**	**(82.4)**	(73.0)	–	(73.0)
Variable staff costs[1]	**(70.6)**	**(33.9)**	**(104.5)**	(79.1)	(60.9)	(140.0)
Non-compensation costs	**(114.6)**	**–**	**(114.6)**	(125.9)	–	(125.9)
Administrative expenses[2]	**(267.6)**	**(33.9)**	**(301.5)**	(278.0)	(60.9)	(338.9)
Other losses	**(9.7)**	**–**	**(9.7)**	(4.4)	–	(4.4)
Amortisation of intangible assets[3]	**(2.2)**	**–**	**(2.2)**	(1.8)	–	(1.8)
Operating profit before exceptional items	**107.5**	**(23.6)**	**83.9**	171.4	52.1	223.5
Net finance costs	**(6.3)**	**–**	**(6.3)**	(6.8)	–	(6.8)
Profit before taxation and exceptional items	**101.2**	**(23.6)**	**77.6**	164.6	52.1	216.7
Statutory profit before tax	**81.6**	**(23.6)**	**58.0**	131.6	52.1	183.7

1. Variable costs in respect of performance fee (losses)/profits mainly relate to the accounting charge for deferred bonus awards made in respect of 2021 performance fee revenues.
2. Administrative expenses exclude £0.8m classified as exceptional (2021: £14.2m).
3. Amortisation of intangible assets excludes £18.8m classified as exceptional (2021: £18.8m).

Movement in AUM by product (£bn)

	31 Dec 2022	Net flows	Market returns	31 Dec 2021
Retail, wholesale and investment trusts	**43.4**	(5.5)	(6.5)	55.4
Institutional	**6.8**	2.0	(0.3)	5.1
Total	**50.2**	(3.5)	(6.8)	60.5
of which is invested in mutual funds	**39.3**	(5.7)	(5.9)	50.9

Assets under management

AUM decreased by 17% to end the year at £50.2bn (2021: £60.5bn). Average AUM was £52.4bn, a decrease of 12% on 2021.

Gross flows were £15.1bn, close to the record level of £16.5bn seen last year. This trend demonstrates strong alignment between our global fund offering and what clients are looking for in their investment portfolios. As set out in the Chief Executive Officer's review, we saw good levels of client demand, especially from UK retail clients, despite clients looking to de-risk their portfolios for much of the year. The gross numbers tell an encouraging story. Whilst a significant portion of the gross outflows arose in UK equities mutual funds, a category that has seen substantial AUM reductions across the industry over recent years, gross inflows came in a broad range of strategies, including categories where we are looking to build our presence – areas such as fixed income, value strategies and global equities. As AUM in UK equities, particularly our small and mid cap range, has become smaller, there is less scope for further significant future outflows in this area. Conversely, we aim to further build on our capabilities and asset growth in the areas where we are currently seeing strong gross inflows and areas that are in net inflow in more normal economic conditions.

As global markets fell amid inflationary pressures, both equities and fixed income retail products experienced losses, producing total negative market returns on AUM of £6.8bn (2021: £5.6bn positive returns).

Total net outflows in the year were £3.5bn, slightly less than 2021 net outflows of £3.8bn. We saw net outflows of £3.6bn in the first half, but retail outflows slowed and we generated positive net inflows in the institutional channel in the second half, particularly in the fourth quarter. We saw net positive flows in the second half of £0.1bn, the first net positive six months since H2 2017.

Client redemptions were not limited to particular strategies, with net outflows in multiple mutual fund ranges, reflecting investor sentiment in the UK retail market. These included UK equities and fixed income, which saw £2.1bn and £1.9bn of net outflows respectively. Within fixed income, £1.8bn of this was concentrated in Dynamic Bond as broader market issues with fixed income impacted flows. Redemptions slowed in the second half as the fund's position on duration began to gain traction with investors. The Merlin range continued to see outflows of £0.5bn and the Systematic range saw £0.6bn of net redemptions, predominantly from the North American fund.

Successes in the year included attracting strong flows into our Asian Income capability, our Global Sustainable Equities strategy and our Strategic Absolute Return Bond fund which, in aggregate, saw net flows of just under £1bn.

Our partnership with NZS Capital continues to generate growth, with net inflows of over £500m in the year, and AUM of over £1.1bn.

After a number of years of repositioning the Group, we saw strong signs of momentum building in our institutional business. We have made significant investment in the past in terms of hiring, systems and client servicing and further progress was made in the second half of the year, attracting net inflows of £1.8bn in that period, and £2.0bn in 2022 as a whole. As a result, having started 2022 with institutional clients making up 8% of our AUM, we finished the year at 14%. Flows came from a diverse range of strategies and clients across all of our key geographical regions. This has been and remains a major area of focus for us and in which we see a great opportunity for further growth.

We are proud to say that our intention is for sustainability to be embedded in all that we do at Jupiter. In the year, we were awarded an 'A-' score by the CDP for our corporate transparency and performance on climate change. We are a Tier 1 Stewardship Code signatory and 42% of our AUM is committed to net zero. We now have over £1.8bn of AUM across our sustainability-labelled product ranges, with net inflows of more than £250m into labelled strategies in 2022. This is another area where we have invested and will continue to invest in the business. As a high-conviction active asset manager, it has long been part of our business beliefs and it will play a key role in continuing to shape what we do.

Net revenue
£397.3m
2021: £568.6m

Revenue
£443.5m
2021: £617.8m

Net revenue

Financial markets were volatile in the year, generally trending downwards amongst a series of peaks and troughs until the end of the third quarter, at which point indices started to recover. However as prices were lower for the majority of the year, average levels of AUM year-on-year were lower and revenues reflected this.

Revenue in the year was £443.5m (2021: £617.8m), with net revenues of £397.3m (2021: £568.6m), of which performance fees contributed £10.3m (2021: £113.0m).

Net revenue (£m)	2022	2021
Net management fees	**384.8**	453.7
Net initial charges	**2.2**	1.9
Performance fees	**10.3**	113.0
Net revenue	**397.3**	568.6
Revenue	**443.5**	617.8

Net revenue decreased by £171.3m to £397.3m, of which 60% arose from the reduction in performance fees. Net management fees decreased by £68.9m to £384.8m, driven by lower average AUM, which was £7.3bn lower at £52.4bn as a result of the dual impacts of net outflows and negative investment returns.

Our average net management fee margin reduced from 76.0bps in 2021 to 73.5bps for 2022. This reduction was broadly in line with our expectations, driven by an increase in AUM in lower margin business, including significant net inflows into our institutional business. As we reposition the Group with a greater weighting towards institutional business, we have experienced downward pressure on this measure. Our focus is on building scale in select areas, growing our existing business and pursuing other opportunities for growth that will drive increases in absolute revenue and profits, but which will come with a lower average net management fee margin for the Group.

Performance fee levels were lower compared to the larger than normal amounts earned from the Chrysalis Investment Trust (Chrysalis) in 2021. We have eight funds which have the potential to generate performance fees, along with a number of segregated mandates.

Administrative expenses

Against a backdrop of price inflation and lower revenues, cost control was a key focus during the year. Following the significant reduction in the scale of the business in the first half of 2022, the Group undertook a comprehensive review of the operating model. The review identified the opportunity to rebalance resources whilst bringing increased agility. We also remained focused on retaining an operating model centred around our clients, with a clear focus on risk management, and retaining investment in key areas of growth. As a result, a redundancy programme was undertaken and regrettably around 80 roles were impacted.

"We are carefully balancing cost management with the need to invest in talent and build scale in target client channels and select geographical regions."

In an inflationary environment, we also need to ensure that cost control is balanced with offering our staff a compensation package that enables the Group to remain competitive in attracting and retaining talent.

In respect of non-staff costs, we completed a review in the year of all supplier relationships across the business and identified a number of areas where cost savings were possible. We continue to maintain our focus on our cost base to identify inefficient processes, outsourcing opportunities to consolidate suppliers or outsource where appropriate, and investing in technology.

Total administrative expenses of the Group were £302.3m, down from £353.1m in 2021, of which £0.8m related to exceptional items (2021: £14.2m) and £33.9m were related to performance fees (2021: £60.9m). 2022 administrative expenses include £6.0m relating to the redundancy programme which are not expected to recur. These changes represent short-term costs to achieve a lower ongoing cost base and most of that benefit will be achieved in 2023.

In presenting the Group's cost base in 2022, it is important to explain the impact of the variability of the costs relating to the performance fees earned in 2020 and 2021, which significantly distort the underlying trend. To achieve this, we have reported such costs separately in the tables that follow.

Additionally, in 2022, as in previous years, we have separately presented certain items as exceptional. In 2022, these comprise costs relating to the Merian acquisition that are required to be spread over multiple years.

Costs by category (£m)	2022	2021
Fixed staff costs[1]	**82.4**	73.0
Variable staff costs before performance fee-related costs[1]	**70.6**	79.1
Other expenses[1]	**114.6**	125.9
Administrative expenses before performance fee-related costs[1]	**267.6**	278.0
Performance fee-related variable staff costs	**33.9**	60.9
Administrative expenses[2]	**301.5**	338.9
Exceptional items	**0.8**	14.2
Administrative expenses	**302.3**	353.1
Total compensation ratio before performance fees[1]	**40%**	33%
Total compensation ratio[2]	**47%**	37%
Cost:income ratio[1]	**69%**	61%

1. Stated before exceptional items and performance fees (see APMs on page 196).
2. Stated before exceptional items (see APMs on page 196).

Before performance fee-related variable staff costs and exceptional items, administrative expenses were £267.6m (2021: £278.0m), 4% lower than in 2021.

Our fixed staff costs increased from £73.0m in 2021 to £82.4m in 2022, of which £4.1m related to the redundancy programme, with cost savings achieved in 2023 against a backdrop of strong inflationary pressures across all businesses. Our total headcount has decreased from 579 at the start of the year to 522 on 1 January 2023. Average headcount for the Group in 2022 decreased from 584 to 572. Our focus remains on maintaining a robust process on assessing headcount needs, along with supplier spend, aligned to the scale and needs of the business and our clients.

As in previous years, operational agility is at the centre of our approach to cost management, as well as ensuring we attract and retain talented people and have a robust control environment.

Variable staff costs (£m)	2022	2021
Variable staff costs before performance fee-related costs and exceptional items	**70.6**	79.1
Performance fee-related variable staff costs	**33.9**	60.9
Variable staff costs before exceptional items	**104.5**	140.0
Exceptional items	**0.8**	7.7
Variable staff costs	**105.3**	147.7

Variable staff costs before performance fee-related costs and exceptional items decreased from £79.1m to £70.6m and included £1.9m of costs relating to the redundancy programme. The decrease is broadly in line with the decrease in net revenue of the Group (before performance fees), adjusted for the impact of deferred compensation costs from previous years that are required to be accounted for in the current period.

A proportion of our variable compensation (excluding performance fees) comprises deferred bonuses in the form of share-based and fund-linked awards. The accounting charge for fund-linked awards is determined by the fair value of the relevant funds in which the notional units or shares are awarded. We hedge such movements in the value of these awards by purchasing units or shares in the underlying funds, although accounting timing mismatches occur between the recognition of gains or losses on the units or shares and the recognition of the corresponding gain or loss on the deferred variable compensation awards. In both 2021 and 2022, these differences were not significant.

Other factors driving the decrease in the Group's variable compensation were movements in Jupiter's share price, resulting in lower national insurance charges, and the UK Government's decision to reverse the previously announced increase in the UK rate of national insurance contributions from April 2022.

As with other hedged deferred compensation awards, the performance fee-related variable staff costs are exposed to short-term fluctuations in the accounting charge, despite being perfectly hedged against such movements over the life of the awards as a result of purchasing units or shares in the underlying funds. In 2022, the impact of movements in the value of the assets to which the value of the awards were linked (principally Chrysalis) was that approximately £9.8m of accounting charge that would have been charged in the years 2023 to 2025 was accelerated into 2022. As a result, later years will see reduced charges in the income statement relating to these awards. We expect charges arising from the 2020 and 2021 performance fee earnings to continue to be recognised until 2025, albeit at lower amounts.

The Group's total compensation ratio including all performance fee related compensation increased from 37% to 47%, reflecting the variable staff costs on prior year performance fees (including the higher costs referred to above) and lower levels of performance fees earned in 2022. The Group's total compensation ratio before performance fees and exceptional items increased from 33% to 40%, reflecting inflationary cost headwinds, the £6.0m cost of the redundancy programme and deferred compensation costs from previous years that we account for in the current period.

Other expenses have decreased by £11.3m to £114.6m due principally to a decrease in costs that are largely linked to AUM levels, including changes to supplier relationships and one-off costs incurred in 2021, principally relating to historical matters.

The Group's cost:income ratio increased from 61% to 69%. This is largely driven by a 15% decrease in management fees only partially offset by cost reductions in the year.

Exceptional items

Exceptional items are items of income or expenditure that are significant in size and which are not expected to repeat over the short to medium term. Such items have been separately presented to enable a better understanding of the Group's financial performance. Where appropriate, such items may be recognised over multiple accounting periods. In 2022, exceptional items were £19.6m (2021: £33.0m) and relate to accounting charges arising from the acquisition of Merian that, due to their nature, are required to be spread over more than one financial year. The charges in 2021 were primarily acquisition-related, but also included the costs of a targeted post-integration restructuring programme, reviewing the structures, systems and processes of the Group.

The Group has not classified the cost of its 2022 redundancy programme as an exceptional item, in line with our commitment that any further costs would no longer be classified as such in the medium term.

Exceptional items (£m)	2022	2021
Acquisition-related		
Amortisation of acquired intangible assets	**18.8**	18.8
Deferred compensation costs related to the acquisition	**0.8**	7.7
Total acquisition-related	**19.6**	26.5
Non-acquisition-related		
Redundancy programme and other compensation costs	**–**	6.5
Exceptional items	**19.6**	33.0

The acquired intangible asset of £75.0m relating to the Merian acquisition in 2020 is being amortised over four years. An annualised charge of £18.8m (2021: £18.8m) is therefore expected to be recognised until June 2024.

The Group incurred acquisition costs in the form of deferred earn-out (DEO) awards to certain former Merian shareholders. These are required to be treated as compensation costs as they include employment criteria and are charged over a three-year period. Vesting of these awards is contingent on meeting certain performance conditions on 1 July 2023. We do not currently expect any performance conditions to be met on two of the three tranches and we have released all accrued liabilities in respect of these tranches in 2022.

"In 2022 we were the first global Asset Management firm to be accredited with the Fair Tax Mark. This is a clear indication of our aim of acting responsibly in everything we do."

Other income statement movements

Other losses of £9.7m (2021: losses of £4.4m) comprised losses on seed investments, net of hedges, after dividend income. Seed investments are hedged for market beta risk, usually by taking a short position on a fund's benchmark, where it is possible to do so, and foreign exchange risk through the purchase of forward currency contracts. Gains and losses therefore generally arise from under- or overperformance against a fund's benchmark, as well as the costs relating to the beta hedge.

Net finance costs

Net finance costs of £6.3m (2021: £6.8m) are broadly unchanged and primarily comprise the interest charge on the Group's £50m subordinated debt issued in April 2020.

Profit before tax

Statutory PBT for the year decreased by 68% to £58.0m (2021: £183.7m) mainly as a result of lower levels of management and performance fee income, exacerbated by a cost base inflated by the front-loading of deferred performance fee-related staff costs. Excluding exceptional items and net performance fees, PBT decreased by 39% to £101.2m (2021: £164.6m).

Tax expense

The effective tax rate for 2022 was 17.4% (2021: 18.6%), below the headline UK corporation tax rate of 19.0% (2021: 19.0%). The difference is due to net tax credits relating to future tax deductions on deferred compensation and additional tax credits available in respect of prior year tax submissions. Our published tax strategy is available from our website at www.jupiteram.com.

Earnings per share

The Group's basic and diluted statutory EPS measures were 8.9p and 8.8p respectively in 2022, compared with 27.6p and 26.9p in 2021.

Underlying EPS, defined as underlying profit after tax excluding non-controlling interests divided by the weighted average number of shares in issue (see page 159), was down 20.4p at 11.3p (2021: 31.7p).

Excluding performance fee losses/(profits), underlying EPS was down 9.4p at 14.7p (2021: 24.1p).

(£m)	2022	2021
Statutory profit before tax	**58.0**	183.7
Exceptional items	**19.6**	33.0
Performance fee losses/(profits)	**23.6**	(52.1)
Underlying profit before tax before performance fee losses/(profits)	**101.2**	164.6
Tax at average statutory rate of 19%	**(19.2)**	(31.3)
Underlying profit after tax before performance fee losses/(profits)	**82.0**	133.3
Profit attributable to non-controlling interests	**(0.6)**	(0.2)
Underlying profit after tax before performance fee losses/(profits) excluding non-controlling interests	**81.4**	133.1
Statutory profit before tax	**58.0**	183.7
Exceptional items	**19.6**	33.0
Underlying profit before tax	**77.6**	216.7
Tax at average statutory rate of 19%	**(14.7)**	(41.2)
Underlying profit after tax	**62.9**	175.5
Profit attributable to non-controlling interests	**(0.6)**	(0.2)
Underlying profit after tax excluding non-controlling interests	**62.3**	175.3
Weighted average issued share capital	**552.4**	553.1
Underlying EPS before performance fee losses/(profits)	**14.7p**	24.1p
Underlying EPS	**11.3p**	31.7p
Basic EPS	**8.9p**	27.6p

The weighted average issued share capital takes account of the repurchase and cancellation programme that has resulted in the reduction of 8.1m shares in issue, completed on 20 January 2023.

Cash flow

The Group generated positive operating cash flows after tax in 2022 of £162.3m (2021: £188.9m). This represents 339% of statutory profit after tax, up from 126% in 2021 as a result of significantly higher levels of unrealised losses from fund unit hedges and a lower profit base. Net inflows from investing activities of £35.1m (2021: net outflows of £12.0m) principally constituted net disposal of seed capital. Outflows from financing activities of £117.0m (2021: £167.7m) included dividend payments of £90.2m made to shareholders and £21.4m of shares purchased by the Employee Benefit Trust (EBT) to hedge deferred compensation awards to employees in the form of Jupiter shares. The net increase in cash in the period was £80.4m (2021: £9.2m increase).

Assets and liabilities

The Group's cash position at the year-end date was up to £280.3m (31 December 2021: £197.3m) as a result of net cash receipts from trading profits, including the cash element of 2021 performance fees. Payment of the performance fees earned in 2021 was principally in the form of Chrysalis shares to match the deferred bonus awards and related employment taxes. These cash inflows were partially offset by dividend payments to shareholders, a share buyback programme and payments to the EBT to acquire shares to hedge deferred bonus awards to employees.

"Our new capital allocation framework balances a sustainable ordinary dividend policy and additional returns of capital on a periodic basis with a healthy capital surplus over regulatory requirements."

The Group's issued debt of £50m is repayable in July 2030 or, at the Group's option, from April 2025. The revolving credit facility (RCF) of £80m provides additional access to liquidity. The three-year facility, which expires and will be replaced in April 2023, was not drawn in the year.

Seed investments

We deploy seed capital into funds to support their growth, to ensure an effective launch and to accelerate the process of raising assets over critical size thresholds. As at 31 December 2022, we had a total investment in Jupiter funds of £72.6m (31 December 2021: £142.3m) at fair value. We have a Board-approved limit of up to £200m of seed capital funds (at cost), and we anticipate that additional investments will be made in the near future to seed growth opportunities.

Capital management

The Group remains profitable and maintains large surpluses over its regulatory capital requirements at both consolidated and individual entity levels. In 2022, total dividends paid to shareholders were £90.2m against £47.9m statutory profit after tax. Funding of the EBT, net of charges relating to share-based payments, and tax movements in reserves reduced reserves by a further £15.6m in the year. The net movement in total shareholders' equity was a decrease of £57.5m to £843.3m.

The parent company of the Group, Jupiter Fund Management plc, has distributable profits of £121.6m (2021: £184.9m). The payment of dividends by regulated entities within the Group and by Jupiter Fund Management plc is limited by regulatory capital and liquidity requirements.

The Group seeks to maintain a balance between providing returns to shareholders and maintaining sufficient capital and cash reserves to support its business activities. As well as providing sufficient liquidity to be able to meet all its liabilities as they fall due, the Group's working capital provides funding for seed investments to support both new and existing fund products and strategies.

Dividends and returns of capital

In October 2022 we announced a change to our ordinary dividend policy which was reset to 50% of pre-performance fee underlying earnings and no longer subject to a minimum of the prior year amount. The Board's capital allocation policy remains to make additional returns to shareholders on a periodic basis, based on the capital needs of the business for growth and a healthy regulatory surplus.

This revised policy, as part of our overall capital allocation framework, allows us to return capital to shareholders on a clear and sustainable basis.

We previously committed to a target of returning at least 70% of cumulative underlying EPS for 2021 and 2022. In view of that target, and in addition to the 25.0p of ordinary dividends already paid in respect of the 2021 and 2022 financial years, we announced a £10.0m share buyback programme to repurchase and subsequently cancel shares. That programme completed in January 2023 and represents a total 1.8p per share return of capital based on the pre-buyback shares in issue, bringing the total to 26.8p. The Group's cumulative underlying EPS for 2021 and 2022 was 43.0p. At 70%, this results in a minimum of 30.1p of total returns, an additional 3.3p per share after taking into account ordinary dividends already paid and the share buyback programme.

In transitioning to the new ordinary dividend policy, the Board has proposed a final ordinary dividend of 0.5p, taking full-year dividends for 2022 to 8.4p. This represents 57% of the 2022 pre-performance fee EPS and is therefore higher than would have been paid under the new ordinary dividend policy. The Board has also announced an extension to the buyback and cancellation programme of up to £16.0m which will commence later in 2023. When taking account of ordinary dividends paid or proposed, shares acquired in lieu of dividends in the EBT and consideration paid for the share buyback programmes, this represents a distribution of 70% of cumulative underlying EPS for the two years ending 31 December 2022.

The Board seeks approval for the final dividend at the AGM on 10 May 2023.

Liquidity

The Group's liquidity comprises cash available for use in the business, supported by an undrawn RCF of up to £80m. The current RCF expires in April 2023 and we expect to agree a new facility before the expiration of the current agreement. The Group maintains a consistent liquidity management model, with liquidity requirements monitored carefully against the existing and longer-term obligations of the Group.

Statement of viability

In accordance with provision 31 of the 2018 Corporate Governance Code, the Directors have assessed the prospects of the Group over a longer period than the 12 months required by the Going Concern provision.

The Directors confirm that they have a reasonable expectation that the Group will continue to operate and meet its liabilities, as they fall due, at least until 31 December 2025.

The Board's viability assessment is based on information known today and with reference to the Group's current position and strategy, the Board's risk appetite, the Group's financial plans and forecasts, and the Group's principal risks and how these are managed, as detailed in the Strategic report.

The Group defines its long-term strategic planning objectives over five years and this is underpinned by a rolling five-year financial plan, the first year of which is the current year budget. The further into the future the planning horizon is, the greater the level of uncertainty in the financial projections. Therefore, the Group uses a three-year period in assessing viability in order to be consistent with the minimum period used in the Group's Internal Capital Adequacy and Risk Assessment (ICARA) and financial projections, and because it has a sharper focus than the full five-year rolling financial planning horizon.

The rolling financial plan incorporates both the Group's strategy and principal risks and is reviewed by the Board at least annually when the budget for the following year is approved.

In exceptional circumstances, the Board reviews and approves structural changes to the budget intra-year. These formal approval processes are underpinned by regular Executive Committee and Board discussions of strategy and risks, in the normal course of business.

Details of the principal risks faced by the Group, and the strategies in place to mitigate exposure to them can be found in Our Approach to Risk Management, beginning on page 66.

Throughout the year the Board assesses progress by reviewing forecasts compared to the budget and longer-term projections compared to the financial plan. The current year forecast and longer-term financial projections are regularly updated as appropriate and consider the Group's profitability, cash flows, dividend payments, share purchases, seed investments and other key internal and external variables. Scenario analysis is also performed as part of both the Group's financial planning process and within the Group's ICARA, which is approved by the Board. These scenarios evaluate the potential impact of severe but plausible occurrences, which reflect the Group's risk profile and identify and model appropriate and realistic management actions that could be taken to mitigate the impact of the scenarios on capital and liquidity.

In the most recent ICARA, approved by the Board in July 2022, scenarios included:

- sustained market downturn arising from a geopolitical stagflationary environment combined with an operational risk event and a significant loss in the seed portfolio;
- the failure of internal policies, leading to a regulatory breach; and
- a discrimination tribunal and dismissal of a key investment manager.

Primary management actions to relieve stresses on the Group's ability to operate during these scenarios are reductions in variable compensation costs, reducing returns to shareholders, and disposal, where possible, of seed investments to provide additional liquidity.

The Group also considers the correlation between different levels of AUM and profitability, modelling the impact of and sensitivity to market movements which directly affect the value of AUM and therefore the Group's revenues.

We believe that the statement of viability continues to reflect our internal financial planning, budgeting, forecasting, review and challenge processes which assess profitability, as well as those through which we assess risk exposures arising from the implementation of the Group's operational strategy.

The Strategic report found on pages 1-73 has been duly approved by the Board and signed on its behalf by:

WAYNE MEPHAM
Chief Financial Officer

A HIGH-CONVICTION APPROACH

At Jupiter, our purpose is clear – we create a better future for our clients and the planet with our active investment excellence. This fundamental purpose is embedded throughout our culture and is the basis of all our decisions.

We firmly and passionately believe in the value of active management and how it can improve outcomes for our clients over time. Despite well-publicised challenges faced by our industry, active management continues to dominate the investment management industry, and it is growing. Last year actively-managed AUM accounted for 78% of industry assets and 93% of revenues. For the fifteen years from 2005, AUM in active products have grown by 9% per annum.

Conviction is at the heart of how we invest. When it comes to achieving the best outcomes for our clients, we have no house view to dictate positions. Instead, we allow our fund managers the autonomy and freedom to form their own opinions and follow their own convictions, always with support from dedicated sustainability and risk management specialists.

This active, high-conviction approach applies equally across our product range. We look to ensure that our client offering is always differentiated and appropriate for our clients' needs. Where this is not the case, we take action. This year, we have rationalised our fund range, closing, merging or repositioning some 25% of our funds. More details on this are on page 34.

Where we look to launch new products, these will always be in areas of strong client demand and where we believe can provide a differentiated offering to our clients. In many cases, we will use our own seed capital to help build track records for these strategies. Products launched over the last five years now account for almost £4bn of AUM and they have, in aggregate, cumulatively attracted £2.9bn of net inflows.

ACTIVE STRATEGIES

INVESTMENT MANAGEMENT

At Jupiter, we are committed to truly active asset management, taking high-conviction positions in the companies in which we invest. We aim to create better futures for our clients and the planet with our active investment excellence.

We have a diverse but differentiated product offering across a broad range of asset classes, styles and investment universes. But we remain focused on specialist strategies where we believe we can deliver high-quality, sustainable performance to our clients and remain differentiated from our peers.

We do not have a house view, but rather we empower our investment professionals with a high degree of autonomy to follow their convictions.

This year, we have simplified our product range to ensure that our offering remains differentiated. We have also reviewed our management structure and reduced complexity where possible. In place of the former CIO office, we have appointed Heads of Equity and of Fixed Income to achieve more efficient, specialised decision making.

Challenging period for active management

Delivering positive investment outcomes for our clients remains our key focus at Jupiter. With volatile but highly correlated markets throughout the year, 2022 was at times a challenging year for active management.

Over three years to end December 2022, 51% of our AUM in mutual funds outperformed their benchmark median (2021: 58%). Over one year the figure was 49% (2021: 80%) and over five years it was 53% (2021: 68%).

Although our aggregate figure for three years (our KPI) is not at a level we would aim for and there are pockets of performance challenges, most of our funds are performing as we would expect given their investing styles.

The change in the one- and three-year numbers is mostly due to a small number of large funds which were in the first or second quartile, moving below this through the year. These are funds whose investment style has been negatively impacted by the market backdrop, including growth strategies such as UK and European equities and unconstrained fixed income in a rising rate environment.

The Dynamic Bond fund takes a long-term high-conviction view and performance can differ from its peers. Historically, short-term relative underperformance has been driven by contrarian positioning that has been amply rewarded in the long run. The team had high conviction from the start of 2022 that inflation and growth would reduce, leading to lower government bond yields. The Russian invasion of Ukraine challenged that thesis, prolonging a period of higher yields and causing the fund to underperform in 2022 and impacting longer-term numbers. The team retains high conviction that slowing growth and inflation will cause a significant shift in the market environment, which would lead to a recovery in absolute and relative performance. Key clients have remained supportive of the team and as market performance has started to reflect the team's view, we have seen client interest, inflows and strong fund performance at the start of this year.

The European fund has moved below its median through 2022 as it has been negatively impacted by the rotation towards a value-style of investing. This has also impacted UK Mid Cap which, although it does not have the same innative style bias, has more recently invested in growth-oriented companies. The fund has additionally suffered from the negative impact of outflows, which has further amplified negative performance trends.

Strong performance across other capabilities

More positively, we have also seen a number of funds (and over £10bn of assets) move above their median ranking through 2022.

Jupiter's value equity team delivered strong relative performance, through both positive stock selection and the rotation towards their investment style. UK Special Situations, Income Trust and Global Value have all demonstrated strong performance over short- and long-term time horizons.

Our alternatives offerings also had a strong 2022, helping preserve investors' capital in a difficult period.

This includes Global Equity Absolute Return, which has seen a strong turnaround in performance. After returning 19% in 2021, which was a calendar year record for the fund, it returned almost 9% absolute performance in 2022, in a year in which positive absolute returns were not easy to achieve. It is now first or second quartile relative to its peers across all time periods and we saw positive inflows from clients in the year.

Strategic Absolute Return Bond also delivered very strong performance in 2022, up over 6% in absolute terms in a period where most major asset classes were down double figures. The strategy is first quartile across all key time periods and continues to attract client interest, generating over £400m of net inflows through the year.

	AUM (£bn)	3 year quartile ranking
Dynamic Bond	5.7	3
Strategic Bond	3.4	3
European	3.2	4
UK Special Situations	2.0	1
Merlin Balanced	1.8	1
Merlin Income	1.7	1
Merlin Growth	1.6	1
Income Trust	1.6	3
North American Equity	1.4	1
Global Equity Absolute Return	1.3	1

3 year mutual fund outperformance

51%

Funds and mandates over £1bn of AUM

14

A commitment to sustainability

Sustainability lies at the core of our business and is woven throughout our investment teams.

We believe that better-run companies perform better. As a high-conviction active asset manager, we recognise that we have an important role to play allocating capital on behalf of our clients, both as active owners and long-term stewards of our clients' assets.

To this end, all of our investment managers are required to embed considerations of ESG risks into their investment processes, actively engaging with our investee companies to help them improve their practices. They are supported by a deeply experienced stewardship team.

We also have a range of sustainability-focused products, which continued to attract client interest this year despite a more difficult market environment. Across the range, we generated over £250m of net inflows and total AUM now stands at £1.8bn.

For more details on our approach to sustainable investing, please see from page 38.

Data-driven insights

Throughout 2022 we have continued to invest in our data science capabilities. From starting as a team of one in 2018, it has now grown to nine data scientists, analysts and engineers.

The team work across the firm to integrate data science through our operating model. They do not manage money themselves, but rather provide analysis and data-driven insights to our investment professionals, which they would not otherwise have access to. The team work with huge volumes of often unstructured datasets, analysing, cleansing, and developing insights that help our investment managers deliver better outcomes for our clients. The team have received strongly positive feedback from clients and other third parties, particularly on their work on ESG data analyses and integration. This year, the team are working towards using AI and natural language processing for research on carbon.

ESG data analysis and integration is a key aspect of this and we have constructed in-house tools, including ESG Hub, which gathers, cleanses and intelligently visualises ESG data from both third-party providers and in-house holdings data. This provides our investment managers with both a clearer overview and much more granularity of the ESG risks across their portfolios.

PRODUCT AND DISTRIBUTION

In a highly challenging year, we have continued to put our clients first. We have targeted investment in areas of strategic growth, including the institutional channel and our overseas businesses. At the same time, we have focused on reducing complexity in the business and streamlining our product range to ensure that our client offering remains differentiated.

A clear client proposition

As a high-conviction active asset manager, we aim to offer a range of investment capabilities focused on the areas where we believe we can have the most impact to help our clients achieve their financial goals.

However, over recent years the complete range of products through which we deliver our investment capabilities had grown to over 100 funds, with a sizeable tail of sub-scale or less-differentiated client offerings. There were also areas where we had overlapping funds or which were focused on areas of limited client demand, all of which carried the risk of diluting our active proposition.

As a result, much of our focus this year has been on simplifying and rationalising our fund range. This has reduced undue complexity, but has also resulted in a more differentiated product offering and a much clearer client proposition.

Through mergers, closures and repositionings, almost a third of the fund range will be impacted. This has been heavily focused on the long tail of sub-scale funds, with more than 80% of the funds involved being under £100m in assets. In total, only 4% of total Group AUM is in scope of the changes. As at end December 2022, we had seen associated outflows of only 0.3% of total Group AUM.

We will continue to closely monitor our fund range on an ongoing basis and always looks to reduce undue complexity where possible.

Concurrently, we have also continued to evolve our product range to broaden our appeal to clients, with targeted launches of new strategies and vehicles and investing our own capital to support the development of track records, such as with Dynamic Bond ESG fund. We also launched US-domiciled vehicles for our existing Global Sustainable Equities and Global Emerging Markets Focus capabilities, opening up those strategies to the significant potential of a US client base.

We have continued to see success from newly launched products, with cumulative net flows of £2.9bn from vehicles launched since 2018.

This ongoing innovation will continue through 2023, as we develop our ability to offer more personalised solutions to clients. We will develop solutions designed for specific regions, whether through new capabilities or tailoring existing strategies.

As well as a broader thematic range, we will also explore launching a multi-asset absolute return strategy, utilising investment capabilities across our equities and fixed income teams.

Success in the institutional channel

Through 2022, we have continued our focus on broadening our expertise in the institutional channel. We have invested in this space over the course of the last few years, including appointing a new Head of Institutional this year, and it is encouraging that we are now seeing the benefits of this hard work starting to come through.

Through recent years, we have engaged with record numbers of institutional clients, through RFPs, Due Diligence Questionnaires and other direct client engagements. We have pitched for ever more mandates and our pipeline continues to grow to record levels.

Our relationships with consultants continued to broaden across the world this year. We now have 18 'Buy' ratings from nine consultants, across nine different strategies.

We are now starting to see success in this key area with institutional clients entrusting us to manage their assets. Predominantly through segregated mandates, we generated gross flows of over £3bn in 2022, which translated to £2bn of net inflows, both of which are records for Jupiter in any year.

Encouragingly, these flows, and our growing pipeline, are also diversified in terms of both new markets and a broader range of investment capabilities. As well as mandates from clients based in the UK and the US, we generated inflows for the first time from clients in Australia and South Korea. We saw institutional inflows into Global Sustainable Equities, Value equity strategies and UK equities.

The nature of the institutional channel means that the flows profile will not always be linear and success will not be in a straight line. However, this year's flows are testament to the hard work of the team over recent years and we look forward to building on this success through 2023 and beyond.

Net flows from institutional clients
£2.0bn

Assets managed on behalf of clients outside the UK
£15.9bn

Gross sales
£15.1bn

Opportunities across our global footprint

Growing Jupiter's presence outside of our home market of the UK remains a key strategic focus. Our overseas businesses now account for 32% of Group AUM and 25% of revenues.

Despite significant outflows from our core UK business, we generated broadly flat flows this year from international clients. European and Asian clients redeemed assets from the Dynamic Bond fund in the first half, as inflationary fears and rising yields weighed upon retail sentiment. This was offset by strong inflows of £1.6bn in the second half of the year, largely driven by institutional clients and encouragingly diversified across a number of strategies.

Although we have had success in recent years in growing our overseas business and expanding our global footprint into new markets, most notably into the US, we have a need and an opportunity to do more.

Our foundations are strong and we now have the opportunity to build scale in key markets. We have worked hard to identify where the most significant opportunities lie. We have strengthened our team, including with a newly appointed Head of International. We have allocated resources to the few key markets where we see the greatest opportunities to drive future growth.

Delivering value for money

Through active investment excellence, we seek to create a better future for our clients - and to do so in a way that delivers value for money.

This year, we published our third annual Assessment of Value for our UK fund range. We continued to have a strong year of delivering value to our clients, against an incredibly challenging backdrop of market volatility and turmoil.

We have continued to evolve our approach this year, in order to ensure that we maintain high standards of rigour and governance oversight. We have deepened the level of scrutiny applied to the process, continually challenging ourselves to understand our clients' experiences, regardless of the challenging market backdrop.

In 2022, 91% of our funds were found to have delivered long-term capital growth to our clients over five years. 78% of our funds' unit classes received a positive rating of either 4 stars ("has consistently delivered strong value") or 3 stars ("has delivered value").

We have taken the decision to apply a number of changes to the fund range where we found that value was not consistently being delivered, including changes in the fund management team, merging, closing or repositioning strategies.

We have also actively reduced the annual management charges across the 'J' units for our UK fund range. As a result, around 40,000 clients will experience a 40bps reduction in fees.

We look forward to continuing to evolve our process, delivering value to our clients and taking swift action where we have not.

ENGAGING WITH OUR CLIENTS

Our clients are at the heart of everything we do.

Through this year we have sought to actively engage with our clients to deepen these relationships and to take a more strategic, holistic approach to client account management. Our product development approach has evolved to become more tailored and more bespoke in nature to meet client demand.

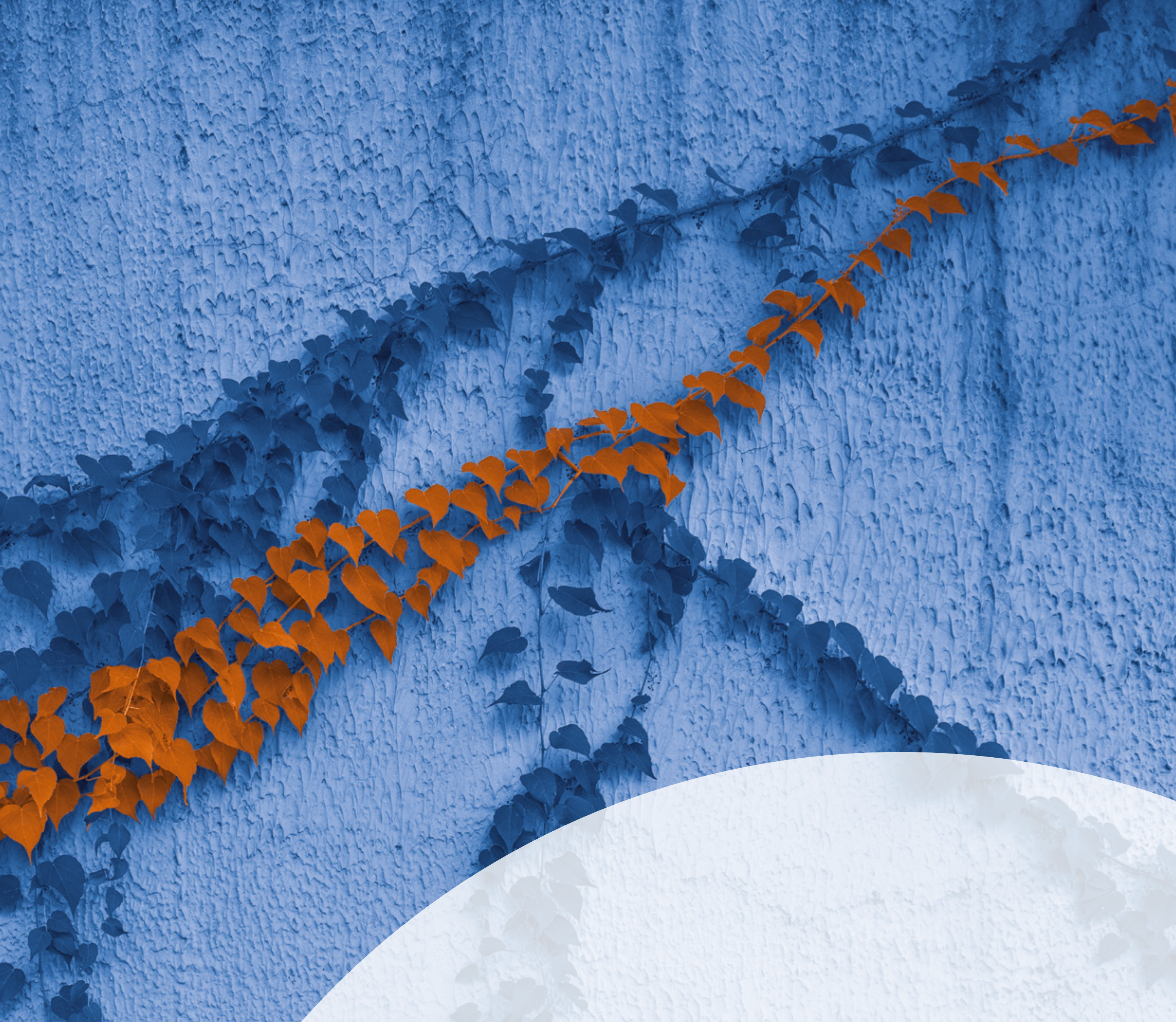
We have also engaged with our clients this year through our first annual client survey[1]. We scored highly in a number of key areas, including 84% in relationship management and 83% in customer support. There are also areas where we scored less favourably, such as communication and some investment outcomes. In all cases, action has been taken to improve the service we provide to our clients.

2022 was also the first full year since the start of the pandemic in which we have been able to connect with our clients on a face-to-face basis and we have taken every opportunity to do so.

Over the course of the year, we have had over 10,000 client engagements across the world. We have attended or hosted nearly 350 client events across 26 countries, including our flagship Investment client conference which was held in London.

1. Client survey comprised in-depth interviews with 40 clients across regions and client channels.

SUSTAINABILITY WOVEN THROUGH THE FABRIC OF OUR FIRM



SUSTAINABILITY LIES AT THE CORE OF OUR BUSINESS

2022 was an important year in progressing towards our firm-wide sustainability ambitions. Internally, we enhanced our sustainability governance framework which is owned by the Executive Committee and the Board.

We relaunched our Sustainability Advisory Council to provide expert counsel, insight and guidance on material sustainability issues for labelled and non-labelled funds.

We launched the DE&I forum under our new CEO's leadership to reflect our culture and behaviour framework.

We created new sustainability and responsible investment policies to govern our investments and operations.

Externally, our core commitment to sustainability is recognised by our Tier 1 FRC Stewardship Code status.

We retained our listing on the FTSE4Good Index Series and achieved a AAA score from MSCI. Our A- CDP score positions us in the 'leadership' category.

We are committed to operating our business and managing all of our assets on a net zero basis. The AUM in scope for net zero alignment, which stands at 42% in 2022, is currently amongst the most ambitious target of Institutional Investors Group on Climate Change (IIGCC) members.

We are one of the leading asset managers when it comes to in scope net zero alignment AUM and we are on target to meet our net zero operational alignment targets.

SUSTAINABILITY WOVEN THROUGH THE FABRIC OF OUR FIRM

Sustainability lies at the core of our business and is woven through the fabric of our firm. Our approach to sustainability has a dual focus: to support the transition to a sustainable, low-carbon economy in our investments and our operations, and to meet the needs of our clients, employees, shareholders and wider society.

We aim to be authentic in everything that we do, including on sustainability, applying the same standards and principles to our business and operations that we apply to the investments we make. Our decisions, whether as a corporate or as an investor, have an impact internally on our employees, and externally on our clients and wider society.

In 2022, we put in place a central corporate sustainability team to lead and deliver on our firm-wide sustainability ambitions. The team has made good progress, launching several new sustainability initiatives and reviewing our existing commitments and pledges to ensure that we continue to embed good practice across all of our business areas.

We reviewed and updated our sustainability governance arrangements. We created a Sustainability Committee, chaired by the Head of Sustainability, and brought stewardship within scope of the Investment Review Forum (IRF) and the Investment Oversight Committee (IOC).

We engaged with our colleagues across the business on sustainability issues through the introduction of the introduction of a sustainability town hall and Sustainability Matters, a quarterly newsletter. Employee engagement on sustainability is very high and we continue to see high levels of demand from colleagues to embed sustainability across all business areas. In response to that demand, we have reviewed our current training offer and plan to roll out new sustainability training across Jupiter in 2023.

In 2022, we published a Sustainability Policy for the first time. In the policy, we set out our existing corporate approach to sustainability and the ways in which we seek to act as a responsible business, including how we manage our operational footprint, engage with suppliers and set expectations and demonstrate commitment to putting our cultural pillars into action through employee and stakeholder engagement.

We have set ourselves an objective to 'be bolder on biodiversity'. With Executive Committee and Board support we created the Biodiversity Working Group, an internal expert team that works together to help us build our understanding of the links between climate change and biodiversity loss and advise us how we can manage and mitigate our biodiversity impacts both as an investor and at Group level.

As an active asset manager, we believe that we play an important societal role by investing to create secure futures for our clients that also accounts for our wider responsibilities for both people and planet.

We describe our active ownership approach in the Responsible Investment Policy which sets out transparently the ESG issues that will be the focus of our investment teams' active ownership and engagement into 2023 and beyond. The focus issues are Climate Change, Biodiversity, Human Rights, Human Capital and Corporate Governance.

We remain committed to reducing the environmental impact of our operations. In 2022, we worked with an external environmental agency to map our Scope 3 emissions with key suppliers to better understand the emissions associated with services we procure. We also started the process of certifying our environmental management system for our head office in London to IS014001 standard.

As a signatory to the UN Global Compact (UNGC) we support its ten principles on human rights, labour environment and anti-corruption and we reflect the principles in our approach to investment stewardship.

Looking ahead

We are proud of the progress we have made in 2022 but there is more work to be done. We have set ambitious targets for 2023 and beyond.

Plans are already underway to build out a new investment stewardship engagement template and engagement tracking system to improve how we report on engagement activity, targets and outcomes for clients and other interested stakeholders. We also intend to produce a quarterly responsible investment report which will inform our clients about our stewardship of their assets and demonstrates how active ownership through company engagement and considered use of proxy voting helps protect the value of their investments. Our investment teams that already produce their own annual stewardship reports will continue to report independently as well as contribute to the planned firm-wide quarterly report.

We will update our global voting policy in 2023. We will also engage with our clients and other stakeholders on voting choice and pass-through voting. We will publish an initial transition plan aligned with the Transition Pathway Taskforce that builds on our Task Force on Climate-related Financial Disclosures (TCFD) reporting.

SUSTAINABILITY IN OUR OPERATIONS

Managing our emissions

2022 energy and carbon statement

This statement has been prepared in accordance with our regulatory obligation to report greenhouse gas (GHG) emissions pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 which implement the government's policy on Streamlined Energy and Carbon Reporting.

During the reporting period 1st January 2022 to 31st December 2022, our measured Scope 1 and 2 emissions (location-based) totalled 331.1 tCO_2e. Our measured Scope 3 emissions totalled 1,182.7 tCO_2e. This comprised:

	FY2022			FY2021		
	UK	**Rest of world**	**Total**	UK	Rest of world	Total
Total Scope 1 emissions	**71.7**	**0.0**	**71.7**	120.9	0.0	120.9
Natural gas	**69.3**	**0.0**	**69.3**	116.8	0.0	116.8
Fuel for transport	**1.47**	**0.0**	**1.47**	3.4	0.0	3.4
Other fuels	**0.96**	**0.0**	**0.96**	0.71	0.0	0.71
Total Scope 2 emissions (location-based)	**224.8**	**36.6**	**261.4**	229.8	34.9	264.7
Total Scope 2 emissions (market-based)	**0.0**	**0.0**	**0.0**	0.0	0.0	0.0
Total Scope 1 and 2 emissions (location-based)	**296.5**	**36.6**	**333.1**	350.7	34.9	385.6
Total Scope 1 and 2 emissions (market-based)	**71.7**	**0.0**	**71.7**	120.9	0.0	120.9
Scope 1 and 2 intensity per FTE (market-based)	**0.64**	**0.0**	**0.64**	0.2	0.0	0.2
Total selected Scope 3 emissions	**n/a**	**n/a**	**1,182.7**	n/a	n/a	156.2
Business travel – flights	**n/a**	**n/a**	**1,155.8**	n/a	n/a	154.9
Business travel – rail	**n/a**	**n/a**	**0.08**	n/a	n/a	0.03
Business travel – hotels	**n/a**	**n/a**	**25.3**	0.0	0.0	0.0
Waste	**1.15**	**0.0**	**1.15**	1.11	0.0	1.11
Water supply	**0.25**	**0.0**	**0.25**	0.13	0.0	0.13

Our Scope 1 and 2 emissions (location-based) have decreased by 14% in the year. This is largely due to a 41% reduction in our Scope 1 emissions, with a 41% decrease in natural gas, predominantly in our London head office. Our London office has implemented several energy-saving initiatives during 2022 such as optimising the air handling unit strategy to reduce instances of simultaneous heating and cooling and reducing out-of-hours usage of the office.

All five of our offices that we report on either use renewable energy or are covered by renewable electricity certificates and we remain part of RE100.

Our measured Scope 3 emissions totalled 1,183 tCO_2e. This includes flights, rail, hotels, water and waste. Our full Scope 3 footprint will be disclosed in our 2022 Sustainability Report.

Our measured Scope 3 emissions increased by 657% from 2021, which is primarily a result of increased air travel following the Covid-19 pandemic. Business travel in 2022 is 22% lower than in 2019 (pre-pandemic), evidencing the focus on reducing our business travel where possible.

During the year, our total fuel and electricity consumption totalled 1,616 kWh, of which 95% was consumed in the UK. The split between fuel and electricity consumption is displayed below.

	FY2022			FY2021		
Energy consumption (kWh)	**UK**	**Rest of world**	**Total**	UK	Rest of world	Total
Electricity	**1,163**	**74**	**1,237**	1,082	70	1,152
Fuels[1]	**379**	**0**	**379**	637	0	637

1. Natural gas and transportation fuels (petrol and diesel)

Our emissions have been verified to a reasonable level of assurance by an external third party according to the ISO 14064-3 standard.

Methodology

We quantify and report our organisational GHG emissions in alignment with the World Resources Institute's Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and in alignment with the Scope 2 Guidance. We consolidate our organisational boundary according to the operational control approach, which includes five offices. We adopt a materiality threshold of 5% for GHG reporting purposes, meaning we report on offices that have six or more employees. The GHG sources that constituted our operational boundary for the year are:

- Scope 1: Natural Gas, Car mileage, Refrigerants
- Scope 2: Electricity
- Scope 3: Flights, Rail, Hotels, Water, Waste

Consumption data for December for our Grantham and Luxembourg offices were unavailable at the time of preparing this report, so it is estimated taking an average of the winter months that were available.

The Scope 2 Guidance requires that we quantify and report Scope 2 emissions according to two different methodologies ('dual reporting'):

(i) the location-based method, using average emissions factors for the country in which the reported operations take place; and

(ii) the market-based method, which uses the actual emissions factors of the energy procured.

Working with suppliers

Our policies and due diligence processes help to ensure that our suppliers uphold human rights both in their own organisations and in those of their suppliers.

We publish an annual Modern Slavery and Human Trafficking Statement stating our approach to understanding and mitigating the risk of modern slavery in our supply chains and our operations in line with the UK Modern Slavery Act.

Our Supplier Code of Conduct sets out the minimum standards we expect from our suppliers. These include respect for human rights, DE&I and sustainability.

In 2022, as part of our management of supplier performance and risk, we assessed the risk of modern slavery in our supply chains, as well as supplier responses to sustainability questions.

Acting responsibly

Our approach to tax

We do not tolerate tax evasion, nor do we tolerate the facilitation of tax evasion by any person acting on the Group's behalf. We seek to manage our tax affairs in a straightforward way, which means that we comply with our tax filing, reporting and payment obligations in all jurisdictions in a timely manner.

Our corporate structure and operating model ensure that our tax affairs are transparent to the tax authorities. Our approach is governed by a Board-approved tax strategy. We ensure this strategy, and the procedures and controls which underpin our approach, are appropriate, monitored and fully implemented. All our employees are required to undergo training in preventing the facilitation of tax evasion.

Fair Tax Mark

In 2022, Jupiter was awarded the Fair Tax Mark accreditation by the Fair Tax Foundation, the first global asset manager to secure this gold standard of responsible tax conduct.

Fair Tax Mark accreditation seeks to encourage and recognise organisations that pay the right amount of tax at the right time and in the right place. Tax contributions are a vital part of the broader social and economic contribution made by businesses, helping the communities in which they operate to deliver valuable public services and build infrastructure that paves the way for growth.

As part of the accreditation, Jupiter's Group tax strategy has been updated to include a detailed country-by-country breakdown of financial performance including taxes paid in each jurisdiction and we strengthened our commitment to responsible tax conduct. These high standards of conduct are not just in the Group tax team but across our organisation including our colleagues in the reward and finance teams.

> **"Jupiter Fund Management is an exemplar of financial transparency and tax disclosure. They provide a comprehensive country-by-country breakdown on their income, profits and associated taxes paid. There is also commendable commitment to follow the spirit as well as the letter of the law, and confirmation that their tax policies are adhered to. Jupiter rightly take real pride in the contribution their tax makes to society, and long may it continue."**
>
> **PAUL MONAGHAN**
> **CHIEF EXECUTIVE, FAIR TAX FOUNDATION**

> **"I'm delighted that Jupiter has become the first global asset manager to be awarded this accreditation from the Fair Tax Foundation. It is a testament to our firm's commitment to do the right thing in relation to our tax conduct and how we seek transparency of our tax affairs for the benefit of our clients and other stakeholders."**
>
> **WAYNE MEPHAM**
> **CHIEF FINANCIAL OFFICER**

Supporting local communities

Jupiter has a well-established Charity Committee, sponsored by a member of the Executive Committee. In 2022, under the Charity Committee's leadership, we put in place a formal budget targeting four key areas:

- Corporate charity – second and final year of our partnership with Momentum. One-off corporate donations as well as money raised from company events including Miles for March, rounders, the annual quiz and individual fundraising
- Rapid response – dedicated budget for supporting global disasters. In 2022, 100% of the pot was donated to the DEC Ukraine Humanitarian Appeal
- Doorstep donations – aimed at supporting charities local to the Jupiter head office in London. In 2022, we supported St Andrews Youth Club, Cardinal Hume Centre, Grey Coat Hospital School and Westminster School
- Global giving – expanding the remit of the Charity Committee to put in place a dedicated charity budget for our global offices

Over the course of the year, Jupiter and our employees contributed over £250,000 to charitable causes.

Volunteering

We successfully launched the Alaya platform to help with setting up volunteering opportunities for all employees. We will continue to encourage more engagement in 2023 and we provide our employees with five paid volunteering days per annum to promote volunteering activities across the Group.

Arrival Education Programme

The ability to manage personal finances is an aspect of adult life that is not included in formal education, a gap which can be further emphasised among young people who grew up in low-income households. Recognising this, Jupiter in 2022 engaged with Arrival Education (Arrival), an organisation specialising in enabling access to industry for individuals from diverse ethnic and socio-economic backgrounds, to assess potential ways that Jupiter could engage on this topic.

Jupiter commissioned research with Arrival to assess financial confidence among Arrival's talent network. 95% of young people asked did have financial goals for their life, but on average rated their level of confidence as 5 (on a scale of 1 to 10) in respect of their ability to make good financial decisions to set them up for a stable and secure future.

With this research as a basis, we designed a financial confidence programme to connect our Jupiter people with Arrival's ethnically and socially diverse talent network. This enabled us to share our knowledge and help give young people from low-income communities the confidence and awareness of the key steps to take in their 20s to build financial security for their future. By sharing our knowledge and expertise to raise awareness of financial matters amongst young people with no natural source of information, Jupiter can begin to play a stronger role in bringing about wider change in society, and enhance our positive social impact, whilst providing the opportunity for colleagues to connect around a socially responsible initiative. In November 2022, we hosted the first of two pilot events with a group of 28 Jupiter colleagues and 33 young people, aged 18-25, for a full day workshop in our London office.

On the day, we gave presentations, ran small group coaching activities, and held discussions around three core areas: managing your income, being smart about debt and understanding savings and investments. The event was a great success, receiving positive feedback from both Jupiter volunteers and the young talent who participated. The team asked attendees to rate their financial confidence before and after the event, and the average moved from 4.9/10 beforehand, to 8.4/10 after, a 71% rise. Jupiter volunteers cited a real sense of the company coming together, and 75% of colleagues agreed that they felt more connected to the challenges faced by talent from low-income households having participated in the event.

> **"I have a new perspective from the volunteers, and this has inspired me. I feel more driven than ever before as I now understand my financial situation a lot better."**

ARRIVAL TALENT PARTICIPANT

> **"An enlightening, exciting day. I'm very proud to have taken part in it."**

JUPITER PARTICIPANT

ACTIVE OWNERSHIP

As a high-conviction active asset manager, Jupiter recognises that we have an important role to play in the allocation of capital, both as active owners and long-term stewards of the assets in which we invest on behalf of clients.

Our individual investment teams adopt an active ownership approach that reflects their asset class and investment strategies, identifying extra-financial information to enable them to make better-informed and relevant investment decisions. Our investment teams define their individual investment processes, and the materiality of ESG issues which is integrated into investment analysis and decision making, influencing asset allocation, portfolio construction, security selection, position sizing, stewardship, engagement and subsequent decisions on whether to remain invested or exit.

Sustainability themes

In 2022, we identified five material sustainability issues that underpin Jupiter's corporate and investment strategy and approach. Investment teams consider these issues in their portfolio construction, asset allocation and investment approach.

1. Climate

Climate change represents a material systemic risk for business and for investments. We recognise that the asset management industry has a significant role to play in contributing to the objectives of the Paris Agreement by allocating capital to businesses that are aligning with the transition to a net zero economy and by acting responsibly in aligning our operational carbon footprint in line with a 2050 net zero trajectory.

We are a signatory to the Net Zero Asset Managers (NZAM) Initiative

We are a signatory to the NZAM Initiative through the IIGCC. We have committed to operate our business and manage our assets on a net zero emissions basis by 2050.

2. Biodiversity

Biodiversity underpins healthy societies, resilient economies, and the ability of companies to operate. The intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) has indicated that 75% of the land-based environment and approximately 66% of the marine environment have been altered significantly by human actions[1], which paints a picture of value destruction on an extraordinary scale. Financial institutions and investors are critical in helping to prevent further biodiversity loss and restoring nature to ensure ecosystem resilience.

We signed the Finance for Biodiversity Pledge

We signed the Finance for Biodiversity Pledge in 2021 as a signal of our commitment to protect and value our natural environment. This commits us to protecting and restoring biodiversity through our investments by: collaborating and sharing knowledge, engaging with companies, assessing impact, setting targets and reporting by 2025.

We have set up an internal Biodiversity Working Group (BWG) to lead the development of our firm-wide biodiversity strategy. The BWG includes cross-firm representation and is chaired by an Investment Director. The BWG will focus on plastics and water in 2023.

3. Human rights

As a signatory to the UNGC, we are committed to upholding human rights in our business operations, supply chains and portfolio companies. We protect the rights of our employees through our employment policies and practices.

We monitor and assess human rights policies and procedures for our investee companies to ensure that they are promoting good governance and management of human rights issues. We expect companies to comply with internationally-recognised human rights codes and standards.

4. Human capital

Good human capital management supports both value creation and business resilience, and we believe that investing in human capital correlates with longer-term business success. As such, we actively look for ways to bring diverse perspectives into decision making and we support people with development opportunities and experiences.

As an active owner of assets, we understand that approaches to human capital management, including DE&I will differ, and we seek to understand an investee company's operating model and we engage to advise on best practice and potential improvements.

5. Corporate governance

Corporate governance is the process by which companies are directed and controlled.

As active owners, we assess company governance on a range of issues including:

- Boards and executive leadership
- Remuneration
- Protection of minority rights and related party transactions
- Systemic risks
- Conduct, litigation and relations with policy makers and regulators
- Corporate culture
- Audit and control environment

1. Media Release: Nature's Dangerous Decline 'Unprecedented'; Species Extinction Rates 'Accelerating' | IPBES secretariat

ENGAGEMENT AND STEWARDSHIP ACTIVITY IN 2022

Number of ESG engagements

827

with 453 companies

Stewardship

We maintained our Stewardship Code signatory status in 2022, which was awarded by the FRC for continuing to meet the expected standard of reporting.

Number of climate-related engagements

278

Number of proxies voted

2,332

meetings

26,917

resolutions

Number of ESG engagements

38 collective

789 individual

Number of shareholders resolutions on ESG issues

633

Number of resolutions against management

2,191

ENGAGEMENT IN ACTION

Deforestation: Itaú Unibanco

Our Global Sustainable Equities Fund is a shareholder in Brazil's largest private bank Itaú Unibanco. The team has engaged for information on the Amazon Plan launched in 2020 to promote sustainable development in the region in collaboration with two other large banks. The Amazon is a key area for protection given that, even though it contains one third of all tropical trees on earth, an area over seven times the size of greater London was deforested in a period between 2021 and 2022[1]. Over three million species, including 2,500 tree species, live in the region[2].

In the first year of the Plan, four key areas have been prioritised. First, the banks are working with the meatpacking industry – the Brazilian cattle industry is the world's biggest driver of tropical deforestation[3] – to improve practices including eradicating illegal deforestation by 2025 and enhancing the traceability of supply chains. Itaú is using georeferencing technology to assess whether clients in certain sectors are responsible for deforestation or other destruction of biodiversity conservation areas.

Second, the banks are supporting the digitalisation of the land registry in the region, which should help them be more precise in determining who is responsible for wrongful deforestation and incorporate this information into their decision-making and risk management processes. Itaú incorporates an assessment of environmental and social practices into its loan portfolio risk assessment, and wants to encourage clients to improve practices by providing differences in credit pricing.

Third, the banks have committed to providing financing to encourage sustainable cultivation to credit cooperatives and agribusinesses involved in products coming from the Amazon.

Lastly, they are working to understand how to grow the local bioeconomy sustainably, which should support socio-economic development in the country. Itaú has surveyed Amazonian inhabitants to understand their needs and requirements of financial services in order to help improve access to credit, and is working with local industries on new business models to reduce their environmental impact and improve their social practices such as working conditions.

In the future, other areas for focus include green and social infrastructure, creating markets for payments for ecosystem services and local development projects. We expect many of the learnings from the company's financial inclusion work should be directly relevant to helping Itaú maximise the opportunity and impact of the work it is doing to reduce the biodiversity impacts of its financing activities and also improving economic outcomes for those who also do business in the Amazon region.

1. Despite an 11% drop in 2022, Amazon deforestation rate has soared under Bolsonaro (mongabay.com)
2. Biodiversity and the Amazon Rainforest - Greenpeace USA
3. Trase Insights - Yearbook 2020 - The leading direct driver of deforestation in Latin America

Corporate governance: Jubilee Metals

Our UK Small and Mid Cap strategy is a shareholder in this AIM-traded company, whose principal business focus is the recovery of metals from historical mine waste material and tailings. In the team's view, this fast-growing and profitable business has significant opportunities to deliver positive sustainability outcomes by recovering metals needed to enable the energy transition with lower environmental impact than new mining projects, and by rehabilitating environmentally hazardous tailings sites in sub-Saharan Africa. Since December 2021, we have been engaging with management with the goal of ensuring that the company's corporate governance arrangements keep pace with its growth. Specifically, the company's Board reflected its entrepreneurial history and lacked independence and diversity. We encouraged the company to address this and were pleased when the company subsequently announced the appointment of its first independent Chairman, a highly experienced former mining executive, in June 2022.

Given the nature of its operations, Jubilee Metals has a range of direct environmental and social impacts which it must manage effectively. We noted that the company's ESG disclosure framework was at a nascent stage of development and encouraged Jubilee Metals to provide sufficient transparency for investors to gain confidence in its status as a sustainable mining company. The company subsequently appointed the former Group Head of Sustainable Development at Anglo American plc as an independent director and Chair of a newly created Safety and Sustainability Committee. She is also the company's first female Director. Jubilee Metal's ESG disclosure framework has significantly improved. We are pleased with the company's development. We remain invested and continue to monitor progress.

Employee health and safety: Nokia

Our Global Value Strategy is a shareholder in Nokia. The team strongly believes that each of the companies in their portfolio should target zero workplace-related fatalities for two reasons. Firstly, companies have an ethical duty to provide a safe working environment for their employees. Secondly, safety provides a broad indication of how well the company is being run. A poor safety track record is often symptomatic of poor working practices and lack of management control and a focus on improving safety can have much broader positive impacts on worker morale, productivity and ultimately a company's share price.

The investment team have been engaging on safety with Nokia. The company reported one employee fatality over the past eight years, but when the team increased the scope of reported fatalities to include contractors and subcontractors that number grew to 41. Shocked by the quantum of workplace-related deaths, the team urgently engaged with the company to seek clarity.

Nokia confirmed that these fatalities are primarily contractors falling from height while installing and maintaining Nokia equipment in emerging markets. The company agreed with us that the level of fatalities is unacceptably high. Nokia's management introduced a set of non-negotiable rules called the 'Nokia Life Saving Rules' in 2015 but these do not seem to be having the desired effect as many contractors are not adhering to the rules properly. The team's view is that more needs to be done. Improving compliance may be challenging but as we have seen in the mining industry, positive change is possible. We will continue to monitor and if we do not see improvements then we will consider escalation steps including voting against management.

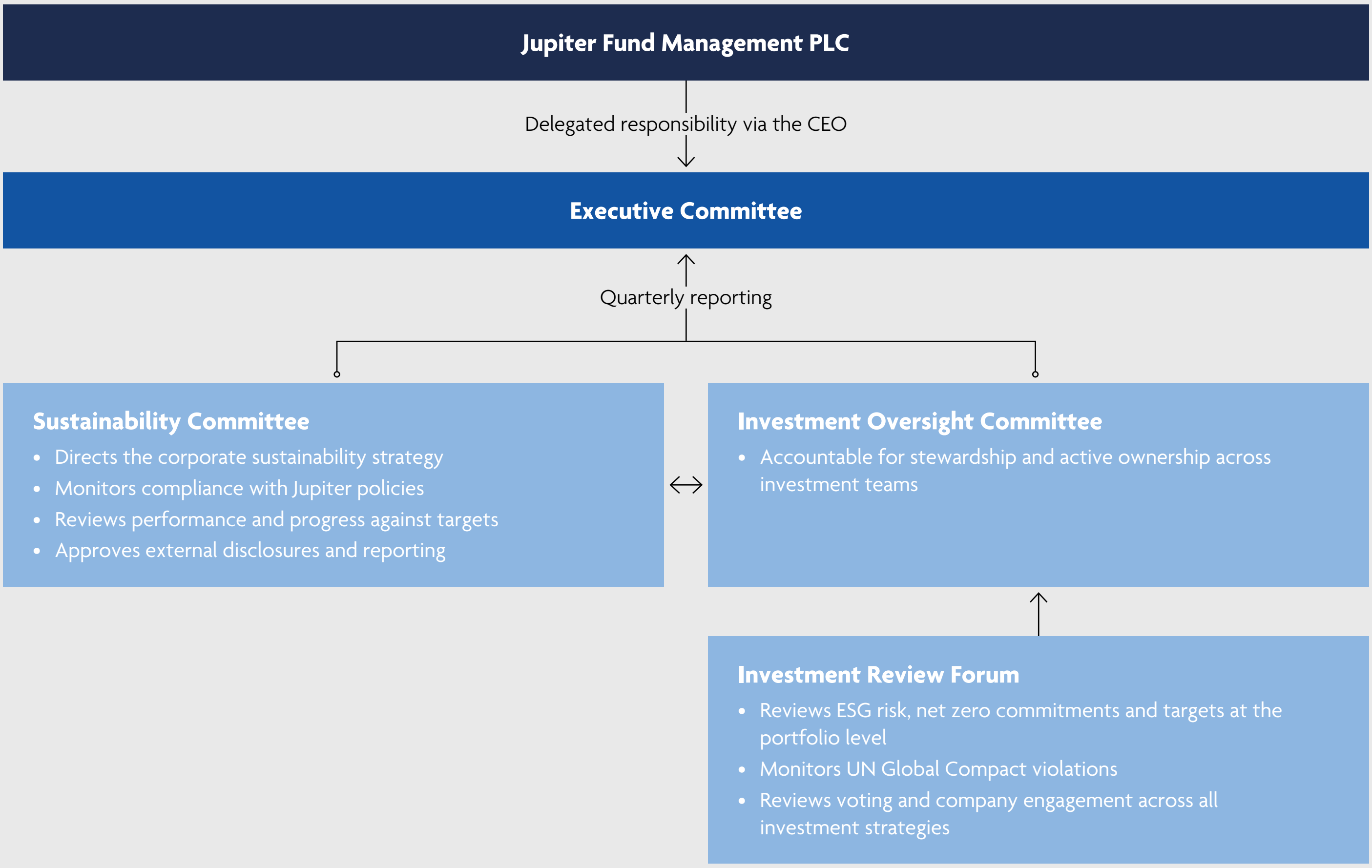
SUSTAINABILITY GOVERNANCE

We reviewed our sustainability and stewardship governance in 2022. In place of the CSR Committee, we created a new Sustainability Committee which is chaired by the Head of Sustainability and whose members include the CEO and the Non-Executive Director who is chair of the Audit and Risk Committee. We folded the Stewardship Committee into the Investment Review Forum and tasked the Investment Oversight Committee with responsibility for assessing material ESG investment issues.

Jupiter's Board and Executive Committee have overall responsibility for corporate strategy, which includes our corporate sustainability commitments and positioning.

In 2022, we undertook our first internal sustainability audit with BDO LLP. The audit looked at our sustainability governance and oversight, strategy and objectives, and policies and procedures. The audit findings and suggested enhancements have been built into the 2023 workplan.

Sustainability governance structure



TCFD REPORT

In this section we provide our response to the recommendations of the TCFD. Our disclosures set out how the Group is in the process of embedding climate considerations across the four TCFD pillars of governance, strategy, risk management, and metrics and targets.

Disclosures in this report relate to Jupiter Fund Management plc. Additional climate-related disclosures including Jupiter's first transition plan will be published in Q2 2023 in our 2022 Sustainability Report. Entity and product level TCFD disclosures as required by the FCA rule ESG 2.1 will be published on the Jupiter website in the first half of 2024.

For the risk management and strategy pillars, we have taken two approaches. Firstly, we consider climate risk and opportunity in our own operations and secondly within our investment strategies, where most of our exposure lies.

Consistency

We do not consider ourselves to be fully consistent with the TCFD recommendations and recommended disclosures. The table below and on page 47 sets out where we are consistent and where we are not consistent and describes 2023 actions to improve our disclosure and consistency.

Strategy

- We undertake scenario analysis to assess the climate-related impacts on our investments and operations. Consistent processes for reviewing these impacts are being formalised across the Group, and we expect to provide greater detail in the 2022 Sustainability Report and next year's Annual Report.
- In 2023, we are considering how to build the outcomes of scenario analysis into a firm-wide climate stress test. The results will enable us to report on potential impact of climate-related issues on financial performance and financial position, which we are not currently doing.

Metrics and targets

- We have not reported our full Scope 3 emissions for 2022 in the Annual Report and therefore we do not consider ourselves to be consistent with the metric and targets pillar of TCFD. We measure our Scope 3 emissions and will report the 2022 data in our 2022 Sustainability Report. The data was not available at time of preparing this report.
- The metrics and targets reported are not specific to our climate-related risks and opportunities. In 2023, we will review and update the climate-related risks and opportunities and as part of this review we will agree on the metrics and targets.

We are evolving our approach to TCFD reporting and our forthcoming 2022 Sustainability Report will provide additional climate-related risk and opportunity information and asset class metrics and targets to meet the Supplemental Guidance for the Financial Sector.

TCFD overview

Consistency	Recommended disclosures and consistency	Reference	Actions in 2023
Governance			
●	Describe the Board's oversight of climate-related risks and opportunities.	Page 47	• Present updated climate-related risks and opportunities to the Board in the second quarter of 2023. • Deploy the updated sustainability governance structure via the Sustainability Committee and IOC to better identify corporate and investment-related climate risks and opportunities.
●	Describe management's role in assessing and managing climate-related risks and opportunities.	Pages 45 and 47	
Risk management			
●	Describe the organisation's processes for identifying and assessing climate-related risks.	Pages 47-48 and 66-69	• Enhance the Enterprise Risk Management Framework (ERMF) to improve the monitoring of climate-related risk against the updated Group definition of sustainability risk. • Adopt a formal controversies approach to manage headline levels of ESG risk identified in a security at the pre-trade compliance stage and for post-implementation monitoring.
●	Describe the organisation's processes for managing climate-related risks.	Pages 47-48 and 66-69	
●	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	Pages 47-48 and 66-69	
Strategy			
●	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	Page 49	• Review and update climate-related risks and opportunities and report progress against a defined set of metrics. • Re-assess net zero alignment of securities for in scope strategies using our bespoke assessment approach. • Test the resilience of our Group strategy under selected climate scenarios.

Disclosure level key

● Consistent ● Partially consistent ● Not yet consistent

TCFD overview continued

Recommended disclosures and disclosure level		Reference	Actions in 2023
Strategy continued			
Partially consistent	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	Pages 48-49	• Review and update climate-related risks and opportunities and report progress against a defined set of metrics. • Re-assess net zero alignment of securities for in scope strategies using our bespoke assessment approach. • Test the resilience of our Group strategy under selected climate scenarios.
Partially consistent	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Pages 48-49	
Metrics and targets			
Consistent	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Page 50	• We will set near-term 2030 and long-term 2050 reduction targets for our operational emissions. • Our full Scope 3 emissions will be reported in the 2022 Sustainability Report.
Partially consistent	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks.	Pages 39 and 50	
Partially consistent	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Page 50	

Disclosure level key

Consistent Partially consistent Not yet consistent

Governance

The Board has ultimate responsibility for risk and corporate strategy. The Board delegates responsibility for management of the Group's day-to-day business and for ensuring the implementation of strategy, including responsibility for climate change-related matters, to the CEO. The CEO uses the Executive Committee to help discharge this duty.

Sustainability, including climate change, is one corporate strategic performance metric assessed as part of the Executive Directors' overall performance. The strategic performance measures comprised 25% of the Executive Directors' bonus metrics for 2022.

Our enhanced sustainability and stewardship governance framework, described on page 45, enables the Board to have oversight of the climate-related risks and opportunities impacting our business.

The Sustainability Committee is a delegated committee of the Executive Committee with responsibility for directing the corporate sustainability strategy, including our firm-wide climate change commitments. The Sustainability Committee is chaired by the Head of Sustainability and meets quarterly. Its members include the CEO and the chair of the Audit and Risk Committee.

Strategic and systemic sustainability issues, such as climate change, are monitored by the Sustainability Committee and our corporate level progress towards meeting objectives is reviewed by the Executive Committee quarterly and presented to the Board twice each year.

The Board reviewed the Group sustainability priorities, including climate, in May 2022. Going forward, a defined schedule for Board reporting on sustainability, including climate risk, has been agreed for 2023 onwards.

During the first session, which will take place in May 2023, the Board will be presented with the sustainability strategy for the year ahead, including stakeholder requirements, Jupiter strategic priorities, targets and objectives and climate-related risks and opportunities. The second session will be focused on reviewing progress against the strategic priorities including any factors that may have changed.

Subsidiary operating Boards are provided with regular updates on progress towards meeting sustainability strategic priorities throughout the year. Sustainability information is communicated to the Risk, Compliance and Capital Committee and Audit and Risk Committee on an ad-hoc basis.

The IRF meets quarterly to review material ESG investment issues including climate risk. Individual investment teams supported by the stewardship team are responsible for assessing and identifying ESG risks within their portfolios. Once identified, the IRF escalates incidents of material ESG risk to the IOC which can further escalate to the Executive Committee as needed.

Risk management

In 2022, the Audit and Risk Committee approved an updated definition of sustainability risk that includes climate risk. Sustainability risk is defined as the failure to identify, assess, manage and report on ESG issues that could cause actual or potential material negative impacts on our core business activities. It can crystallise through investment decisions that fail to adequately assess ESG materiality and/or operational risk including physical risks such as the increasing likelihood of extreme weather events, which have the potential to place pressure on our operating environment.

Operations

The Group has a comprehensive approach to identifying, monitoring, managing, and mitigating risk. Our ERMF, described on page 67, enables us to identify and manage the material risks, including operational climate-related risks, to which we are exposed. The ERMF supports the effective management of risks to ensure that the Group's risk profile remains within its risk appetite; protects and enhances stakeholder value by contributing to the achievement of our objectives; and informs the three lines of defence to ensure effective escalation of material risk issues.

Sustainability risk is one of four risks which are pervasive throughout our risk taxonomy. The potential impacts of sustainability risks can therefore be understood through the assessment of our principal risks, leveraging inputs from the Sustainability Committee and teams and individuals from across the business.

We began developing an accredited environmental management system for our London office in 2022. The management system enables us to better respond to ongoing risks associated with energy pricing through improving our energy efficiency.

Investments

Climate-related investment risk and opportunity is identified via research and analysis conducted by investment teams pre-investment and during ownership. The stewardship team provides climate expertise to support this assessment and serves as a challenge function. Insights are leveraged from our internal proprietary platform that gathers, cleanses and presents ESG data from both third-party providers and in-house sources. These data sets were expanded in 2022 using MSCI Climate Value-at-Risk (Climate VaR) to provide a visualisation of transition risk and physical risk.[1]

The Stewardship team reviews and assesses the analysis carried out by individual investment teams when considering climate risks and opportunities for their strategies. Individual securities which present elevated levels of ESG risk or are in potential conflict with the Group's Sustainability Policy or Responsible Investment Policy are reviewed by the IRF and escalated to the IOC where necessary.

We will adopt in 2023 a formal controversies approach to manage headline levels of ESG risk identified in a security at the pre-trade compliance stage and for post-implementation monitoring. Where headline reputational risk for the Group is identified, the IOC and or the Sustainability Committee may choose to escalate the issue to the Executive Committee.

As a member of the NZAM initiative, 42% of our AUM is aligned with the goals of the Paris Agreement as of 2022. We believe that portfolio alignment is an effective way to protect our clients' assets from a range of climate-related risks. We manage transition risks in our portfolio through our propriety assessment of in scope securities.

Strategy

We have we committed to achieve net zero emissions by 2050 across both our investments and operations. As of 2022, 42% of AUM is in scope. We have committed to reducing the emissions intensity of the assets currently in scope by 50% by 2030 against a 2020 baseline. The 2020 baseline includes assets previously managed by Merian, which now fall within Jupiter's management. For our operations, which make up a small percentage of our total footprint, we are in the process of establishing near-term 2030 and long-term 2050 reductions targets against our established 2019 baseline. More details can be found on page 50.

Identifying climate risks and opportunities

In the table on page 49 we describe our internal assessment of climate risks and opportunities identified through our sustainability governance framework and functional input from investment, stewardship, corporate sustainability, risk, and Legal. Following the review of our sustainability governance structure in 2022, we intend to review our climate risk assessment in 2023 and provide further detail in our 2022 Sustainability Report.

As part of our internal planning horizons for climate risk, we consider short-term to be up to 2025, medium-term to be from 2026 to 2030 and long-term to be from 2031 to 2050. The short-term time horizon reflects the approach adopted by our risk team. The medium- and long-term time horizons align with our net zero targets.

We use the MSCI Climate VaR tool to assess how individual securities in an investment strategy might be affected by the transition to a low-carbon economy. On page 49 we describe the different scenarios we deploy to assess potential physical and transition impacts.

Managing climate risks and opportunities

Investee companies

Our investment teams consider physical and transition climate impacts in their investment processes and as part of their ongoing investment analysis where they consider climate to be material at the sector, industry and security level.

Our investment and stewardship teams actively undertake individual and collective engagement with investee companies to encourage better climate disclosure and monitor and manage transition risks.

In 2022, the stewardship team assessed over 1,100 companies for net zero alignment using a bespoke assessment approach that builds on IIGCC's Net Zero Investment Framework (NZIF). We developed a live database to track net zero alignment of holdings for in scope strategies which consists of our fundamental, long-only, developed market equities and Sustainable Finance Disclosure Regulation (SFDR) Article 8 and 9 products. The database provides investment teams with an engagement score and list of priority companies in terms of level of net zero alignment and transition potential. Investment teams use the analysis to engage on improving decarbonisation disclosures and carbon intensity reduction pathways by 2030 and to monitor and manage transition risks.

Client demand for our products

We integrate climate impact as an investment consideration in all our strategies. We also assess the impact of current and emerging climate regulation on our strategies. In addition, we offer a range of sustainability focused strategies to our broad range of clients.

Climate regulation and policy

We expect to be in scope of all current and emerging climate regulation and policy in the jurisdictions in which we operate. We undertake regulatory and policy horizon scanning to ensure we have full sight of climate-related disclosure requirements. We engage directly with regulators and via industry bodies to inform and shape the evolving climate regulatory landscape.

1. Certain information ©2023 MSCI ESG Research LLC. Reproduced by permission. More information can be found on page 200.

Climate-related risks

	Type, description and time frame	Impact	Metrics
MT	**Market risk** Emerging regulation could negatively impact the financial performance of carbon-intensive companies in our portfolios.	Investment impact	• Net zero alignment (page 50) • Weighted average carbon intensity (page 50)
LT	**Policy and legal risk** New climate regulations could impact client demand for our products.	Reduced revenue	• Net flows into thematic and sustainability-labelled strategies (page 24)
ST	**Policy and legal risk** Climate and ESG reporting requirements could expose us to regulatory penalties.	Increased costs	• Compliance with required climate and ESG disclosure (pages 46 and 47) and effective oversight thereof (page 110)
LT	**Physical risk** Our portfolio companies could be impacted by physical climate risks.	Reputational impact	• Net zero alignment (page 50) • Climate-related engagement with investee companies (page 43) • Portfolio climate risk monitoring (page 48)

Climate-related opportunities

	Type, description and time frame	Impact	Metrics
ST	**Products and services** Increased demand for strategies which employ sustainable investment strategies.	Increased revenue	• Net flows into thematic and sustainability-labelled strategies (page 24)
LT	**Products and services** Emerging policies could positively impact investee companies which deliver climate solutions.	Increased revenue	• Increased market demand for environmental strategies (Jupiter Ecology Fund Impact Report 2022)

Time frame key

LT Long-term MT Medium-term ST Short-term

Scenario analysis

We assess the exposure of our investments to climate-related risks and opportunities under different climate scenarios using a recognised third-party model. MSCI's Climate VaR tool enables us to undertake a forward-looking and return-based valuation assessment to measure climate-related risks and opportunities in our strategies.

Physical risks and opportunities

We use MSCI 'aggressive' and 'average' physical scenarios that evaluate the impact and financial risk of several extreme weather hazards, such as extreme heat and cold, heavy snowfall and precipitation, wind gusts, tropical cyclones, coastal flooding/sea level rise and fluvial flooding. The physical scenarios cover listed equities and corporate bond asset classes.

Transition risks and opportunities

MSCI's transition scenarios evaluate potential policy and technology changes. The policy scenarios overlay climate policy outlooks and future emission reduction price estimates onto company data.

The technology scenarios identify current green revenues as well as the low-carbon patents held by companies. The policy scenarios cover listed equities, corporate bond and sovereign asset classes. The technology scenarios cover listed equities and corporate bond asset classes.

We use three Network for Greening the Financial System (NGFS) scenarios to assess our strategies: 'orderly' (1.5 degrees), 'disorderly' (1.5 degrees) and 'hothouse' (3 degrees).

Scenario analysis results and next steps

We evaluate the results of scenario analysis at sector level, using aggregated heat maps to determine areas of high impact in our portfolio. The analysis is used to inform our risk identification and engagement planning.

We will provide greater detail of the results of our scenario analysis in our 2022 Sustainability Report. We are considering appropriate actions based on the outcomes of scenario analysis including how we build the results into a firm-wide climate stress test.

Metrics and targets

Our objective is to align our investment strategies to the Paris Agreement and we actively monitor alignment through metrics and targets including our bespoke net zero alignment assessment framework and third-party climate assessment tools such as MSCI Climate VaR.

Detailed asset class disclosures including GHG emissions and weighted average carbon intensity will be reported in the 2022 Sustainability Report.

As an investment manager, our emissions are primarily Scope 3 category 15 financed emissions. Here we highlight the metrics and targets we currently use to assess and manage climate-related risks and opportunities. Our operational Scopes 1, 2 and 3 emissions are provided on page 39. Our current approach is based on net zero asset alignment, which prioritises the transition to a low-carbon economy through active stewardship.

This approach creates a greater understanding of a company's readiness to implement climate-related changes, track progress against goals, and demonstrate impact over time.

At a strategy level, our investment teams may also consider asset alignment based on the NZIF, carbon intensity reduction, science-based targets and temperature scenarios consistent with the goals of the Paris Agreement. Where relevant, we may use third-party carbon scores as a proxy to assess how portfolio companies are managing climate risk. Our strategy level metrics will change over time given the entity and product level TCFD disclosures required under FCA rule ESG 2.1.

In 2021, we established a target for our Scope 1 and 2 emissions to be net zero by 2030. In line with the latest climate science and best practice, we have reconsidered that approach and are now targeting a greater reduction in emissions and less reliance on carbon offsets. As a result, we are in the process of establishing near-term 2030 and long-term 2050 reductions target against our established 2019 baseline. Interim targets will enable monitoring and reporting of our progress towards decarbonising our operations by our target date of no later than 2050. We remain committed to net zero targets, across both our full range of investments and our operations, taking account of the most recent climate science and best practice.

Investments

Manage all assets on a net zero emissions basis

Coverage: Whole investment book
Status: 42% of AUM consisting of our fundamental, long-only, developed market equities and SFDR Article 8 and 9 products

Reduce the portfolio emissions intensity of the current in scope assets by 50% by 2030 against a 2020 baseline

Coverage: 42% of AUM
Status: Individual strategy targets are being scoped

Portfolio weighted average carbon intensity[1] (Scopes 1 & 2)

Coverage: 71.2% coverage. Excludes sovereigns and cash
Status: 225.7 tons CO2e / $1M sales

Total financed carbon emissions[2] (Scopes 1 & 2)

Coverage: 68.1% coverage of equity and bonds. Excludes cash
Status: 99,419 tons CO2e

Operations

Achieve net zero operational emissions by 2050 (Scopes 1 & 2)

Coverage: Scope 1 and 2 emissions for offices within our materiality threshold
Status: Near-term 2030 and long-term 2050 reduction targets under development

100% renewable energy

Coverage: All offices within our materiality threshold where we procure energy
Status: All in scope offices use renewable energy or are covered by renewable electricity certificates

The impacts of climate change are rapidly evolving and continue to be uncertain. Forward looking and historical climate metrics should be treated with caution as there are many significant underlying assumptions and judgements. The reported measures in this document reflect good faith estimates, assumptions, and judgements at the given point in time. There is a risk that these judgements, estimates or assumptions may subsequently prove to be incorrect.

1. Measures a portfolio's exposure to carbon-intensive companies, defined as the portfolio weighted average of companies' carbon intensity (emissions/sales).
2. Measures the total carbon emissions for which an investor is responsible by their equity ownership. Emissions are apportioned based on equity ownership (% market capitalisation).

MEMBERSHIPS AND COMMITMENTS

United Nations Global Compact

Social Mobility Pledge

Investment 20/20 – The talent solution from the Investment Association

PRI – Principles for Responsible Investment

UK Stewardship Code

The Green Bond Principles

30% Club – Growth through diversity

Living Wage Employer

Women in Finance Charter

The Investor Forum

Net Zero Asset Managers Initiative

Diversity Project

WDi – Workforce Disclosure Initiative

UKSIF – UK Sustainable Investment and Finance Association

Pensions for Purpose

LGBT Great

Finance for Biodiversity Pledge

GAIN – Girls Are INvestors

IIGCC – The Institutional Investors Group on Climate Change

Climate Action 100+

Fair Tax

ENGAGING WITH OUR STAKEHOLDERS

Engagement with our stakeholders in order to understand their views and priorities is critical to our success and enables us to make better informed decisions. Why we engage, the key priorities of our stakeholders, the ways in which we engage with them and the key outcomes of that engagement can be found below.

Details of how the Board has engaged and considered stakeholder interests in key decisions can be found on pages 88 and 89.

Clients

Why we engage

Our clients are the people and firms that invest in our funds and segregated mandates. We engage to help us understand their investment objectives and priorities, and how these will evolve in order to develop solutions to help them achieve their objectives.

What is important to them

- Investment returns net of fees
- Client service and reporting
- Our ESG approach and practices
- Product range and capabilities

How we engage

- Primarily through our Distribution and Investment Management teams, who are responsible for building relationships with current and potential clients
- Our new CEO has met with key clients since his appointment and provided direct feedback to the Board
- We have undertaken client surveys to seek clients' views on our business and the service provided
- We have held virtual and physical meetings, conferences and road shows
- We publish podcasts and articles to provide clients and potential clients with our insights into markets

Outcomes

- Gross sales £15.1bn
- Over 10,000 client engagements across the world
- Clients scored us 84% for relationship management under the client engagement survey
- 14% of our AUM from Institutional clients

Further information on page 34.

People

Why we engage

It is our people who enable us to deliver for our clients and make a positive difference in the world. We engage with them to understand their priorities which helps us to retain, develop, motivate and recruit talented individuals who are aligned with our culture.

What is important to them

- Opportunities for career progression and development
- Working in a diverse and inclusive culture
- Fair reward and supportive benefits package
- Our ESG approach and practices

How we engage

- We have an employee engagement forum 'Connections' who discuss employee views and initiatives and feedback to the Board and management to support our employees. Connections engage directly with the Board as detailed further on page 88
- All employee townhalls and employee surveys
- Through our management structure
- Our CEO holds 'Meet the CEO' sessions with staff from across all areas of the business
- Our all-employee magazine
- Weekly emails from our CEO

Outcomes

- Employee engagement score: 71%
- New learning and development programme launched
- New policies aimed at supporting staff through various life stages e.g. paternity and menopause
- Salary increases aimed at supporting more junior employees with the cost-of-living crisis

Further information on page 56.

Shareholders

Why we engage

Our shareholders are the people who own the business and we rely on their support and engagement to help us deliver our long-term strategy. Understanding their views and providing regular updates to them on the performance of the business is of key importance to the success of the Company.

What is important to them

- Long-term sustainable business, with clear articulation of strategy
- Our ESG approach and practices
- Attractive returns
- High standards of governance and effective risk management

How we engage

- Our results presentations and roadshows with investors, which are undertaken after our final and interim results and are a critical part of our investor relations programme
- Meetings with Jupiter's Directors, senior managers and Investor Relations team
- Our AGM, which was held in-person for the first time since the global pandemic

Outcomes

- Underlying EPS 11.3p
- New dividend policy
- £10m share repurchase programme completed and a further £16m share repurchase programme announced

Further information on page 75.

Section 172 Directors' Duty

The Directors have continued to discharge their duties in accordance with section 172 of the Companies Act, which includes the need to consider the interests of the Company's wider stakeholders. Details of how the Directors have fulfilled their duties can be found throughout the Strategic and Governance reports. The content below on stakeholder engagement and further details on how the Directors' duties are discharged, and the oversight of these duties, are included in the Governance section starting on page 74.

Business partners

Why we engage

Our business partners include our distribution partners (platforms, advisers, wealth managers, financial institutions, funds of funds and life companies) and our suppliers. They are critical to ensuring the effective distribution and servicing of our products and they supplement our operational infrastructure, which enables us to benefit from their expertise and scale.

What is important to them

- A product range which meets their clients' requirements and delivers outperformance
- Development of beneficial and effective long-term business relationships
- Prompt payment for services and rebates
- Accurate and timely information, in order to fulfil their obligations

How we engage

- Our Distribution and Investment teams engage regularly with our distribution partners through meetings and briefings
- Our Procurement team who are responsible for central engagement with our suppliers and set the governance framework for managing the relationships
- Direct and regular contact with the relevant business areas to which the services/goods are supplied
- Meetings with senior managers across Jupiter's business and Directors as appropriate

Outcomes

- Partnerships with 10,483 distributors
- Further embedding of the supplier management framework
- Rationalisation of key suppliers from 10 to 7

Society

Why we engage

We believe we have a responsibility to make a wider contribution to society. This includes the effective stewardship of the assets we invest on behalf of our clients, which we believe is the biggest potential impact we can have.

What is important to them

- The impact we and our investee companies have on the environment and wider society
- Our plans to improve and enhance the impact we have and achieve better outcomes for our stakeholders
- Our initiatives to support diversity, equity and inclusion across the industry

How we engage

- Our Investment managers, supported by our Stewardship team, regularly hold meetings with investee companies on ESG matters to help drive benefits for society
- We have direct engagement with our charitable partners, including through our volunteering partnership scheme
- Our publicly available information and various methods to engage with us directly on key matters

Outcomes

- 827 ESG-focused stewardship meetings held
- Held our first financial education conference, to help improve the financial confidence of young people
- 10 new Investment20/20 placements

Further information on page 38.

State and regulators

Why we engage

State authorities set the legal and tax frameworks within which we operate, and regulators are responsible for supervising their respective financial systems including the entities and people working within them. They have an interest in ensuring we act with integrity and transparency, are effective stewards of our clients' investments and comply with requirements. We also engage with regulators and policy makers to help develop and understand evolving regulatory requirements.

What is important to them

- Protecting the interests of clients
- Protecting markets and ensuring their smooth operation
- How our business protects clients' interests and acts responsibly, through our governance and control frameworks, and ESG approach and practices

How we engage

- Our Compliance team lead engagement with our regulators, who also meet with Directors and senior managers across the business
- Regulatory applications, notification and filings, participation in thematic reviews
- Engagement with tax authorities across the world to ensure responsible and transparent tax conduct

Outcomes

- Registered as an enhanced firm under the FCA's SMCR
- Awarded the Fair Tax Mark accreditation by the Fair Tax Foundation
- £115m regulatory capital surplus

AN ENVIRONMENT WHERE EVERYONE CAN THRIVE

We seek to create the space for everyone to have a positive impact. Recognising the benefits of allowing our people to play to their strengths, while allowing them the freedom to challenge themselves to grow, we aspire to build an environment where everyone can thrive.

The expectations and priorities of the workforce have changed significantly over recent years, with more scrutiny than ever on an employer's holistic employee offer. We understand that in order to continue to successfully recruit and retain the best talent, we cannot stand still. We must take an active and systematic approach to delivering on employee feedback.

From consulting over 300 of our employees during the development of our Group-wide cultural behaviours, to empowering our employee networks to deliver the most impactful initiatives to drive change, we put the employee voice at the centre of how we adapt our offer, to deliver on the expectations of our employees.

And in return for this commitment, we expect our people to deliver to the highest standards for our clients. In 2022, we focused on improving our recruitment practices - centralising and enhancing our process to bring about better outcomes for our people and for our business.

We recognise that sometimes, in order to make the most of individual differences, the structures and processes a business has in place need to be examples of consistency, fairness and equality of opportunity.

To this end, we have continued to support our line managers with a series of training sessions to promote strong team performance, undertaken a thorough talent review, and enhanced our year-end HR processes to ensure we are consistently rewarding and recognising high performance.

Because the value of our differences is only as strong as the environment that allows them to thrive.

DIVERSE & INCLUSIVE

PEOPLE AND CULTURE

People and culture

Independence of thought and individual accountability define us. The nature of our business puts our people at the heart of what we do, driving decision making, behaviour and investment.

We are proud of our journey so far and continually try to find better ways to work and share lessons learnt so that we can be even stronger tomorrow. 2022 has seen a significant focus on enhancing the culture of our firm to the benefit of our people and to our clients.

Articulating the behaviours for a successful future

With the change that our business has witnessed over the past two years – navigating the pandemic, remote working and the acquisition and integration of Merian, all against a backdrop of turbulent financial markets – we felt we needed to clarify and codify the culture that Jupiter stands for and wants to strive for.

In 2020, we established our cultural pillars:

- We put clients first
- We value our people
- We challenge ourselves
- We succeed together

To enable our people to deliver our purpose and strategy and create a consistent culture in which the cultural pillars are lived daily, we set out to articulate the behaviours that sit underneath our cultural pillars. We chose to frame this deepening of our cultural pillars through the lens of 'behaviours' to underline the active role that each of us plays in promoting the culture that Jupiter needs to succeed in the future.

The project aimed to develop a deeper understanding of our people's perceptions of life at Jupiter and the behaviours required. The research spanned all levels and locations of the organisation, including one-to-one interviews with senior leaders, focus groups with employees and an online survey – all of which resulted in feedback from over 300 employees.

The result was a set of tangible behaviours that each Jupiter employee is expected to uphold in their day-to-day role. Acknowledging that some aspects are already true today, and others require more deliberate action from each Jupiter colleague to bring them to life, we have reinforced our performance management process to shine a light on the 'how' as well as 'what', and begun a roll-out of manager support to enhance this important aspect of life at Jupiter.

Proud@Jupiter

As part of the roll-out of our cultural pillars, we have launched a new peer recognition scheme to recognise colleagues that make us all proud to work at Jupiter. The award celebrates and rewards colleagues whose actions and behaviour uphold the values that set Jupiter apart, with a monthly monetary award for the standout nomination amongst all those submitted by employees. Since the launch in November, over 60 nominations have been made for employees who go the extra mile in their day-to-day roles, representing a truly inspirational snapshot into what the 'Jupiter difference' looks like through the eyes of our people.

Individual Conduct Rules

Strong culture is an imperative, not least in the eyes of our clients.

In 2022, we embarked on a programme of targeted and interactive training on the FCA's individual conduct rules, in addition to the annual mandatory training. The sessions were face-to-face, and were designed and tailored for the relevant functional area with attendance mandatory. Every UK-based employee in the firm attended one of these 29 session.

Engagement with the sessions was high, with positive feedback citing the 'tangible' nature of the sessions. Key themes for action were identified through the strong interactive nature of the training, which will form part of the onward plan for the team and the business.

ENGAGEMENT PULSING

Acknowledging that in today's working environment, having a more frequent view of employee sentiment allows management to act on feedback in a more meaningful and impactful way, we have begun our transition away from an annual survey to engagement 'Pulsing'. The first Pulse-style engagement survey ran in December, with questions focused around Purpose, Strategy and the newly launched Jupiter Behaviours.

The survey attracted a 90% participation rate (+8% from the 2021 survey) and a significant number of employees also provided responses to our open comment questions to share their perceptions and experiences of the future direction of Jupiter and the company culture. At 71%, we have seen an increase in our overall engagement score of +1%, when compared to the previous survey in November 2021 on a like-for-like basis.

Of particular note in these results are the strong positive trends in inclusion, leadership communication, work/life balance and clients first. It is encouraging to see the impact in these results of actions taken since the previous survey including the focus on leadership communication, a renewed energy for DE&I and initiatives seeking to promote understanding and awareness of clients among the wider staff population.

The Board and the Executive Committee are fully committed both to listening to what our people are telling us, and to responding effectively to issues raised.

Engagement survey highlights

I believe that overall, Jupiter puts clients first:

85%

I would recommend to friends and family that Jupiter is a good place to work:

71%

I am proud to say I work for Jupiter:

70%

Feedback for continuous improvement

We believe that we can only succeed together if we listen to each other and are prepared to be challenged. At Jupiter, we achieve this through open debate, innovation and continuous improvement. Jupiter values the voice of our employees, and has many established channels through which employee feedback can be given.

Connections

Our employee representative forum, Connections, helps to drive engagement at all levels of the business and regularly communicates with our people to gather views on strategy, people, culture and all aspects of the business. The Chair of the forum provides updates to the Executive Committee and the Board and Connections act as the Group's formal workforce advisory panel for UK staff.

A key responsibility of each Connections representative is to work with their management team member and the wider team to identify key themes from the employee engagement survey. In 2022, the representatives undertook a thorough review of the feedback received, qualitative as well as quantitative, and ran focus groups with a cross-section of the organisation to propose and test initiatives. Key actions taken following this feedback include increased communications from management, supported by the provision of greater opportunities for colleagues across teams to connect on a professional and social basis.

In addition to their role in driving the employee engagement agenda, this year the Connections group participated in collective consultation for redundancy, working actively with management to ensure the best possible outcomes for exiting staff in challenging circumstances.

Health and wellbeing

The health and wellbeing of our people continues to be a priority, with the transition of life back into the office bringing new challenges and areas of focus. Since returning to the office in 2021, we have continued to operate a hybrid working model, with a minimum of three days in the office and up to two days working from home. This supports our desire to build a strong shared culture through connecting with colleagues, whilst empowering our people to work in a way that is best for them and helps maintain a healthy work/life balance.

In 2022, we relaunched our Mental Health First Aider (MHFA) initiative, and in September, 15 Jupiter colleagues attended a two-day course to receive the official MHFA accreditation. Jupiter's Mental Health First Aiders are trained to listen, reassure and respond, even in a crisis. They can do this by recognising warning signs, and they have the skills and confidence to approach and support someone experiencing mental ill-health. This was complemented by a series of seminars for all staff on wellbeing, including resilience, adopting a growth mindset and emotional agility.

Jupiter's Social Committee is a network run by colleagues from a range of business areas with the aim of organising social events that encourage our employees to connect and build relationships in a social setting outside of work. Following the pandemic and a period of working from home, the Social Committee launched in 2022 with a number of successful events, including a popular 'Table Quiz Night' and regular organised meet ups, as well as activities focused on fitness such as a running club.

Rewarding our employees

Our reward framework is designed to attract, motivate and retain talent. It creates a tangible link between performance and compensation, while ensuring that our people's interests are aligned with those of our clients. Through a mix of fixed and variable components, we provide competitive total compensation that rewards success and the promotion of our culture and values.

Enabling Group-wide share ownership is an important objective in promoting our cultural pillar of 'We succeed together'. Compensation awards, particularly deferred bonuses and longer-term incentive plans, are designed to align the interests of our employees with those of our stakeholders.

This includes granting a free Jupiter share award of £2,000 to each of our employees for the fourth year in a row and continuing our 'CEO Award' programme (also granted in Jupiter shares) which recognises a number of employees who have demonstrated an exceptional contribution to the success of Jupiter.

In addition, employees can participate in schemes which provide opportunities to purchase Jupiter shares which can be in a tax-efficient manner.

Keep learning

The development of our people is key to Jupiter's success. With our annual Learning and Development curriculum, as well as our generous support for professional qualifications, we look to support our people with the right development opportunities and experiences to enhance their skills and seek out opportunities for personal and professional growth, so they can reach their full potential.

After several years of virtual training, our colleagues were keen to get back into the classroom, and we saw strong uptake for our Learning and Development curriculum – with over 40 training sessions run, and over 300 employees attending at least one training course in 2022. This year's offer included courses on current industry trends, as well as workshops on professional skills development. We continue to look to internal expertise to run training, and continued with our series of 'Data Science 101' courses fully managed by our highly skilled in-house data science team as well as supporting other cross-departmental knowledge-sharing initiatives.

Leadership and Management was identified as a priority area for the year, with a desire to both upskill and inspire the leaders within our business as well as giving these groups the opportunity to connect as a cohort. Our Leadership programme saw us bring together over 50 of our senior leaders over the course of several training events and workshops, focusing on a mix of business topics and professional skills, change leadership and strategic development.

For our line managers, we ran a series of 'pick-and-mix' training sessions on a variety of core management topics, as well as rolling out webinars delivered by the HR team to guide managers on critical points in the year such as performance management and making reward recommendations which will be built on in 2023.

"Enabling Group-wide share ownership is an important objective in promoting our cultural pillar of 'We succeed together'. Compensation awards, particularly deferred bonuses and longer-term incentive plans, are designed to align the interests of our employees with those of the Group's stakeholders."

DIVERSITY, EQUITY AND INCLUSION: INSIGHT AND ACTION

Jupiter has a long and proud history of recognising the value of diversity – giving our talented professionals the freedom to pursue their own investment styles has underlined our high-conviction investment approach and is fundamental to the way we think. We respect and celebrate different perspectives and experiences, and are tenacious in our desire to create an environment where everyone can do meaningful work for clients, for our business, and for the world around us. At Jupiter, we unlock the potential of all our people so our clients can achieve theirs.

DE&I continues to be at the forefront of life at Jupiter, reinforced by Matthew Beesley's strong advocacy and commitment to effecting change within the industry and our organisation.

At an industry level, we have continued our longstanding support of the Investment20/20 programme, which supports access to the investment industry for young people through hiring for potential rather than background or experience. In 2022, we have recruited a further ten trainees and apprentices into roles across the Jupiter group.

As a financial services institution and employer, we identified an area in which we could significantly impact the lives of the communities we operate in, by expanding our DE&I social mobility focus to include financial literacy. In November 2022, we launched a flagship 'Financial Education' social initiative, which gives young people from low-income backgrounds the opportunity to meet with Jupiter staff, understand more about managing their finances, and build industry connections for the future (more on page 41).

Within the organisation, Jupiter seeks to strike a balance between a broad approach to DE&I – addressing all aspects of diversity – and targeting initiatives for greatest impact. Set out below are some of our current areas of focus, which have been defined through seeking feedback from employees, clear insights from our partner organisations, and data to remain grounded in clear insights, tangible action and meaningful results.

Together, we believe we can create a truly inclusive environment in which everyone can thrive.

Empowerment and accountability

Jupiter has a number of long-standing employee networks established to support underrepresented groups: Ethnicity (relaunched in 2021 as Gravity), Faith, Pride and the recently launched Gender Equality Network. In 2022, these networks have been brought together through a central DE&I forum. The forum is proudly chaired by our CEO, and includes representatives from each of the individual networks, along with Communications and HR.

The DE&I forum has been established to bring about better co-ordination and alignment between the networks, enhancing the impact of actions taken by seeking inter-sectional views and decision making. Each of the networks has been empowered to make their own decisions on actions that will have most value to the groups they represent, allowing Jupiter to benefit directly from their insight to inform areas of focus.

In 2022, we refreshed our DE&I strategy and developed a targeted action plan to help us to achieve our 2023 targets.

Cross-dimension areas of focus...

- Increasing the impact of our Employee Networks
- Building accountability and awareness of DE&I within the organisation
- Enhancing our employee data

...and targeted action plans for

- Gender
- Ethnicity
- Social Mobility

Examples of initiatives taken by Jupiter employee networks include becoming members of 'LGBT Great' in order to access benchmarking insight and best practice guidance for policy adaptation, and a pilot mentoring scheme within Investment Management to support the development of younger members of staff. The mentoring scheme was driven by the Gender Equality Network following feedback from female team members that this would be particularly beneficial.

The increased visibility of our employee networks in 2022 has led to strong results in the DE&I space in the staff engagement survey. In December, we saw a 20% increase in positive responses to the question 'I feel able to be myself at work', now standing at 89% overall – a question which seeks to highlight how open and inclusive the working environment is for our people.

We have continued our senior level support for industry initiatives, with our CEO continuing his role as a mentor as part of the Diversity Project's #TalkAboutBlack initiative. This initiative has proved invaluable in highlighting the challenges faced by black investment managers in the industry, and insight into ways Jupiter can support bringing about change.

For the 2022 performance year, the Executive Committee's objectives and variable pay were linked to a diversity and inclusion assessment and their delivery against diversity targets relating to gender, ethnicity, disability and socio-economic background.

Gender

	2022		2021	
	Women	Men	Women	Men
Board Members	3	6	3	6
% of Board	33%	67%	33%	67%
Senior Positions on the Board (CEO, CFO, SID, Chair)	1	3	1	3
Senior Management	9	33	21	79
% of Senior Management[1]	21%	79%	21%	79%
Other Employees	180	290	195	288
% of Other Employees	38%	62%	40%	60%
Total	192	329	219	373
Executive Management[2]	2	3	-	-
% of Executive Management	40%	60%	-	-

Jupiter systematically collects data on legal gender from all employees on a mandatory basis. Gender identity data collection commenced in late 2022 and is therefore not used as the basis of reporting at this time.

1. The definition of Senior Management has been updated to reflect the new management structure, resulting in a smaller overall population size.
2. Executive management includes members of the Executive Committee and Company Secretary, in line with the Listing Rules guidance. Comparable year-on-year data is not available for Executive Management given changes to management structure.

Ethnicity

2022	White British/ White Other	Mixed/Multiple Ethnic Groups	Asian/Asian British	Black/African/ Caribbean/Black British	Other Ethnic Group	Not specified/ Prefer not to say
Board Members	**8**	**1**	–	–	–	–
% of Board	**89%**	**11%**	–	–	–	–
Senior Positions on the Board (CEO, CFO, SID, Chair)	**4**	–	–	–	–	–
Senior Management[1]	**30**	**1**	**4**	–	–	**7**
% of Senior Management	**71%**	**2%**	**10%**	–	–	**17%**
Other Employees	**288**	**18**	**79**	**14**	**9**	**62**
% of Other Employees	**61%**	**4%**	**17%**	**3%**	**2%**	**13%**
Executive Management[2]	**5**	–	–	–	–	–
% of Executive Management	**100%**	–	–	–	–	–

2021	White British/ White Other	Mixed/Multiple Ethnic Groups	Asian/Asian British	Black/African/ Caribbean/Black British	Other Ethnic Group	Not specified/ Prefer not to say
Board Members	7	–	–	–	–	2
% of Board	78%	–	–	–	–	22%
Senior Positions on the Board (CEO, CFO, SID, Chair)	4	–	–	–	–	–
Senior Management	62	1	11	–	1	25
% of Senior Management	62%	1%	11%	–	1%	25%
Other Employees	274	16	78	17	12	86
% of Other Employees	57%	3%	16%	4%	2%	18%

1. The definition of Senior Management has been updated to reflect the new management structure, resulting in a smaller overall population size.
2. Executive management includes members of the Executive Committee and Company Secretary, in line with the Listing Rules guidance. Comparable year-on-year data is not available for Executive Management given changes to management structure.

Data and insights

At Jupiter, we consider diversity Group-wide, by region, by function and by team, as well as at varying levels of seniority. Information is collated on a voluntary basis on disability, ethnicity, gender and sexual orientation for all employees.

Whilst the data available on gender and ethnicity has historically been good, we acknowledged that data in the other aspects listed above was relatively low. This was proving an inhibitor to taking meaningful action and effectively assessing the diversity makeup of our firm. Through the implementation of a new employee HR information system, which was rolled out in September 2022, Jupiter effectively increased its data capture across key aspects of diversity, achieving an 87% disclosure rate on ethnicity diversity data, as well as more systematically capturing data on sexual orientation and disability for the first time. We anticipate that we will be able to use the data to inform future DE&I targets and initiatives in a way that is both meaningful and challenging.

In addition to our internal data-driven insights, Jupiter has this year contributed to industry benchmarking research to help inform our own DE&I strategy, as well as shaping industry policy and cross-company areas of focus. As a long-standing signatory of the Women in Finance Charter, Jupiter has once again completed a submission against our targets, and we were proud to have achieved the target of 30% female representation at board level early in 2021 (against a 2023 target).

2023 will mark the conclusion of our previous period for DE&I targets and will bring with it a revised ambition to work towards. We welcome the reinforcement of criteria for female representation at board level to 40%, and will adapt our targets accordingly in 2023, as well as extending ethnicity targets beyond the Parker Review board composition target (met ahead of the target date in 2022).

"With the roll-out of our new Employee HR System, we capitalised on the opportunity to improve our understanding of our workforce through data, helping us to identify which areas we need to focus on, as well as monitoring progress and testing the both the long-term and short-term impact of our initiatives."

TRACEY KINSELLA, HR DIRECTOR

Spotlight: enhanced recruitment practices

Having a centralised recruitment process is one of the key ways in which the integrity, fairness and transparency of recruitment into an organisation can be best upheld. It also sharply enhances our ability to influence DE&I aspects through data analysis and promoting equalising practices.

At Jupiter, our approach to recruitment remains to ensure that we recruit the best person for the role. In this spirit, we have brought about a number of changes to our practices this year, with a specific focus on gender, which aim to 'level the playing field' whilst still allowing hiring managers to take the decision based on the most suitable candidate for the role. These include adapting the language of our job adverts to attract a wider candidate pool and appeal to women, asking for salary expectations rather than current compensation, and encouraging gender-balanced shortlists for all roles with a particular focus on senior level.

Since the roll-out of the new employee HR information system, we have been able to generate enhanced data-driven insights into our recruitment practices. We began tracking data on gender-balanced shortlists in May 2022, monitoring male:female ratios at CV shortlist and interview stage, and the gender of the candidate that was hired at the end of the process. So far, our reporting on progression through the recruitment process shows that women are proportionally outperforming male candidates in terms of conversion to interview, and conversion to hire. We view this as an encouraging early insight into how we can bring about change by improving gender balance at shortlist stage.

We are pleased to report that for the full year 2022, 50% of external hires were female – a record for the last four years.

We have again recruited a number of Investment20/20 trainees into our business this year, with strong diversity among this intake. We recruited 70% of our recent entry-level intake from non-fee-paying schools, and 70% from Asian, Asian British, Black and Black British backgrounds, and the intake was 50:50 gender balanced. The recruitment process was conducted through 'blind' CVs – with names, as well as school name, redacted from CVs before submission of the shortlist to the hiring manager.

In addition to adapting our internal practices, we have also taken on new and pragmatic external partnerships to target female talent, for example through advertising roles with GAIN (Girls are Investors) and Return Hub – targeting hidden pools of female talent in the market.

LAUNCH OF THE GENDER EQUALITY NETWORK

Within the asset management industry, women are significantly under-represented in certain departments, notably, but not exclusively, investment management and distribution. This is not just specific to Jupiter, but an industry-wide issue and one we want to help change. Despite several years of companies trying to address this imbalance, statistics continue to show that there has been no meaningful growth in the number of women joining investment management[1]. As a network, we are determined to ensure we have the right policies, procedures and initiatives in place to attract and retain female talent, and ensure everyone has the same opportunities to reach their full potential.

The network has identified several areas where we will focus our attention: hiring new talent; promoting employees and retaining the current talent we have; maternity and paternity policies; family-friendly initiatives; and menopause.

On retention of staff and career progression, we have established a pilot mentoring programme within Investment Management which has 32 participants in the first wave. The scheme will be used as a testing ground for a potential roll-out across the Group in 2023 and has been extremely well received by participants.

We have also helped shape the policy and benefits suite available to employees at Jupiter. Recognising that DE&I is as much about the structural inequalities that can exist across genders, this was a particularly important area of focus for us, and we are proud to have contributed to the Group's decision to increase paid paternity leave for new fathers to eight weeks, as well as the launch of structured guidance to support people going through the menopause.

CLAUDIA RIPLEY
Chair of the Jupiter Gender Equality Network

1. Where are all the women in asset management? | Financial Times (ft.com)

A passionate focus on serving our clients and a commitment to delivering superior performance after fees is central to why we exist.

Every decision we make has the client at its core.

Our business is built on trust, and we collaborate and develop strong relationships so that we can make the right decisions for clients every day.

Our intellectual curiosity means that we're always looking to improve how we meet their needs and objectives.

Independence of thought and individual accountability define us. We believe that diversity and the freedom to think and act differently will set us apart.

We actively look for ways to bring diverse perspectives into our decision making.

We create the space for everyone to have a positive impact and help our people to shape their own career paths.

We support people with the right development opportunities and experiences. We encourage people to seek out opportunities for personal and professional growth so can they can reach their full potential.

We thrive on open debate, feedback and continuous improvement.

We welcome constructive challenge and aren't afraid to say what we think.

We are driven and continually seek out innovative and different solutions to improve what we do and how we do it.

We remove barriers to high performance so that we can always do our very best for our clients.

Only by working together as one team can we meet our individual and business goals.

We maximise our collective impact by working and winning as a global team.

Together, we focus on our strategy and prioritise everything we do accordingly.

We value the ideas and capabilities we all bring to the business, as well as the contribution every single person makes on our journey to growth.

We celebrate successes and inspire each other to go further to drive greater returns.

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

The non-financial and sustainability information required to be disclosed is detailed below and certain information is included by reference to the following locations in the Annual Report and Accounts:

Non-financial information	Section	Page
Business model	Our business model	20
Principal risks	Our approach to risk management	66
Key performance indicators	Our key performance indicators	18
TCFD Statement	TCFD report	46

Jupiter has a number of policies and statements which are in place to support the effective governance of the organisation. The key policies are summarised in the table below. During the year all policies have operated effectively and details of how we ensure their effective implementation is detailed below.

Clients

Treating Customers Fairly	This policy is to ensure that the Group consistently embeds the principle of treating customers fairly, which includes commitment to dealing with investors in its products and its discretionary clients honestly, openly, competently and with integrity.
Conflicts of Interest	This policy is designed to ensure that we operate to high standards and take all appropriate steps to identify and prevent, or manage conflicts of interest that may occur between the interests of one client and another, or between the interests of a Group company (or an employee) and clients. A number of enhancements have been made to the process during the year, to ensure appropriate identification, escalation and management.

Our People

Diversity, Equity and Inclusion	There is a Diversity, Equity and Inclusion statement for both the Board and the wider Company which sets out our approach to promoting a culture of diversity, equity and inclusion.
Code of Ethics	Details the standards of conduct all of our employees are required to adhere to.
Conduct Rules	The FCA Conduct Rules are high-level overarching requirements that apply to individuals on how they conduct themselves in relation to their activities at Jupiter and, where relevant, their personal conduct. They are designed to ensure our people act with integrity and uphold the highest standards of conduct.
Health and Safety	The policy is designed to protect the health, safety and welfare of our employees and visitors to our offices to provide and maintain safe working conditions.
Whistleblowing	The purpose of the policy is to outline the channels through which employees can raise issues or concerns about the activities of Jupiter or its employees. It has been adopted to foster a culture of openness and transparency and to encourage employees to raise concerns of suspected wrongdoing. See policy implementation overleaf for further information.

Environment and Society

Environmental	This policy provides a commitment to mitigate the direct impacts of our activities on the environment wherever possible.
Sustainability	This sets out our approach to sustainability matters including our sustainability strategy, governance and the material sustainability issues relevant to Jupiter's corporate and investment footprints.
Responsible Investment	This policy details how we integrate ESG matters into our investment management activities and our views/approach on material ESG matters.
Stewardship	The Stewardship Policy details how we incorporate voting, governance and sustainability considerations into our investment management process to improve the outcomes for our clients.
Tax Strategy	This strategy ensures that we comply with our tax reporting and payment obligations in a timely manner and that we engage with tax authorities in a co-operative and transparent way.

Human Rights

Human Rights	We strongly support the protection of individuals' human rights and this is embedded in our corporate values. Our employment policies and practices are designed to protect our employees' human rights.
Modern Slavery	Our Modern Slavery and Human Trafficking Statement details the steps we have taken to ensure that there are no instances of modern slavery in our workplace or throughout our supply chain, and how we oversee our investee companies to receive assurance over their practices and supply chains.
Data Protection	This policy is designed to ensure we protect any personal information that the Group may hold related to individuals.

Financial Crime

Anti-Bribery and Corruption	This policy ensures that the Group operates to high ethical standards and complies with all applicable anti-bribery and corruption laws.
Anti-Money Laundering and Terrorist Financing	The Group's anti-money laundering (AML) framework is designed to ensure that it complies with the requirements and obligations set out in relevant legislation, regulations, rules and industry guidance for all jurisdictions in which we operate and mitigates the risk of the Group being used to facilitate financial crime.
Anti-Tax Evasion	The Group is committed to acting professionally, fairly and with integrity in all its business dealings and relationships, wherever it operates, and implementing and enforcing effective systems to counter the facilitation of tax evasion.
Market Abuse	The purpose of these policies is to ensure Jupiter staff observe the proper standards of market conduct, protect the integrity of the markets in which we operate and do not obtain an unfair advantage from the use of inside information to the detriment of third parties who are unaware of such information.

Policy implementation

We ensure the effective implementation of our policies by:

- fostering a culture of integrity and accountability;
- clear communication of our policies through our employee induction, training, management briefings and our intranet, through which we make our key policies available to our people;
- our governance framework, including our Board, management and reporting committees, which provide us with a robust structure within which we oversee the implementation of the policies;
- workforce training programmes, covering areas such as anti-bribery and corruption, money laundering, market abuse and tax evasion, which employees are required to complete each year;
- our employee handbook, which assists with contractual terms, expected conduct and our policies; and
- reviewing the majority of our policies at least annually to ensure they are in line with best practice, meet our regulatory requirements and are updated with any changes required for their effective implementation.

The business is responsible for implementing these policies, principles and codes and they have operated effectively and in line with anticipated outcomes. The effectiveness of these policies is reviewed by our Risk and Compliance teams (second line of defence) and our Internal Audit function (third line of defence). For further information on how our three lines of defence model operates, please see the Risk section on page 66.

We operate an independent whistleblowing line enabling our employees to confidentially raise any concerns, including non-compliance with our policies and procedures. The Chair of our Audit and Risk Committee is responsible for overseeing the investigation of any whistleblowing reports.

OUR APPROACH TO RISK MANAGEMENT

Our aim is to manage risk in a manner which helps Jupiter achieve its strategic goals whilst understanding and effectively mitigating the potential material harms to clients, the market and the firm.

The Board and executive management are responsible for establishing and maintaining a strong risk management and compliance culture that embeds and supports a high level of risk awareness and a sound internal control environment.

This is achieved through leadership behaviours which establish the tone from the top, our governance structure, a clear definition of roles and responsibilities and a robust risk management framework.

The Group has a comprehensive approach to identifying, monitoring, managing and mitigating risk.

Risk governance and responsibilities

The Group operates a three-tier risk governance framework, generally known as the Three Lines of Defence model, which distinguishes between risk management and risk oversight. This approach provides a clear and concise separation of duties, roles and responsibilities.

The Board has ultimate responsibility for oversight of the risks of the Group and for determining the risk appetite limits within which the Group must operate. It delegates day-to-day responsibility of risk management and control activities to the Chief Executive Officer, supported by the Executive Committee and the Risk, Compliance and Capital Committee, with oversight from the Audit and Risk Committee.

The ERMF clearly defines the roles and responsibilities for risk management and provides a process for escalation through our governance structure, which enables ongoing and robust oversight.

FIRST LINE

Risk and control management

The business functions and line managers across the Group are responsible and accountable for the identification, assessment and management of the individual risks and associated controls within their respective areas of responsibility.

SECOND LINE

Risk and control oversight

Risk and Compliance, supported by additional control and oversight functions, provide independent oversight and challenge with respect to the first line's management of their risks, and provides assurance that the Group's regulated activities are undertaken in accordance with regulatory requirements.

THIRD LINE

Internal audit

Internal Audit is an independent provider of assurance over the effectiveness of the Group's processes and governance with regards to risk and internal control, assessing whether they are adequately controlled and challenging management to improve their effectiveness.

KEY GOVERNANCE COMMITTEES

Risk, Compliance and Capital Committee

The Risk, Compliance and Capital Committee is responsible for the oversight of the Group's risk profile relative to its agreed risk appetite. It is accountable for overseeing the design and operating effectiveness of the Group's risk management and capital management frameworks and policies, including compliance with relevant regulations. The Committee receives regular reporting and ongoing updates, from which it reports any recommendations and escalations to the Executive Committee and, for certain matters, to the Audit and Risk Committee.

Executive Committee

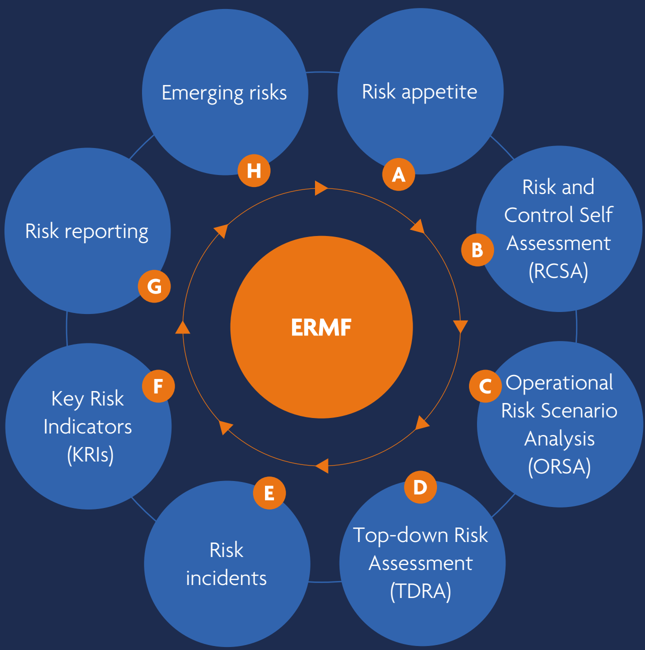
The Executive Committee is responsible for implementing the strategy and objectives set by the Board and communicated by the Chief Executive Officer, ensuring the implementation of a sound system of internal governance, control and risk management. This includes monitoring compliance with the regulatory framework of the markets in which it operates. It is also responsible for implementing the Group's culture, values and standards.

Audit and Risk Committee

The Audit and Risk Committee is responsible for reviewing and monitoring the integrity of the Group's financial statements. It is also accountable for reviewing the effectiveness of the Group's risk management and its internal control systems, oversight of the Internal Audit function and the Group's relationship with external auditors.

Enterprise Risk Management Framework

The ERMF enables Jupiter to identify and manage the material risks to which it is exposed. The ERMF supports the effective management of risks to ensure that the Group's risk profile remains within its risk appetite, protects and enhances stakeholder value by contributing to the achievement of our objectives and informs the Three Lines of Defence to ensure effective escalation of material risk issues.



2022 ERMF enhancements

During 2022, a number of initiatives were undertaken to enhance the way we monitor, assess and manage risk. These included:

- Embedding of the areas of the framework enhanced during 2021, specifically our risk appetite and TDRA.
- Further enhancement of our framework for the management of Liquidity risk.
- Building our framework to support the assessment of ESG risks.
- Development of processes to support our Operational Resilience.
- Focusing on embedding our assessment of the material harm which we could potentially cause to clients, the market or the firm.
- Completion of our first ICARA, ensuring that we have adequate capital and liquidity and ensuring compliance with the Investment Firms Prudential Regime (IFPR).
- The continued embedding and enhancement of our Conduct processes and controls, including staff training and the development of the KRIs which provide a view on potential Conduct issues.
- Further developments to our Risk system for capturing RCSAs and risk incidents.

A The Group's risk appetite defines the level and type of risk that the Group is prepared to accept in pursuit of its strategic objectives and business strategy, taking into account the interests of its clients, shareholders and other stakeholders, as well as capital and other regulatory requirements. An important part of the Board's remit is to determine the Group's risk appetite, taking into account its strategic plans, the business environment, and the current and likely future condition of our business and operations.

B The bottom-up identification and assessment of Operational risk is performed by teams across the business via an RCSA. The assessment identifies and monitors material risks and associated key controls by considering the operating environment, processes, roles and responsibilities, as well as risk incidents. Risks are assessed on both an inherent and a residual basis, with ratings determined for potential impact and likelihood. Where processes or controls are identified as insufficient, line management is required to take appropriate action to ensure they are improved in order to pose a minimal (or acceptable) level of risk to the Group.

C ORSA is a forward-looking assessment of exposures to severe but plausible operational risk events. It is used by the Group to identify and quantify the material risks that have the potential to impact Jupiter, based on the experience and opinions of internal subject matter experts. A variety of scenarios (differing in nature, severity and duration) are used to estimate the impact of events on capital requirements. The Group also uses scenario analysis to ensure that we understand our exposure to high-severity events and implement mitigating actions, in line with our risk appetite.

D The TDRA identifies the Group's material risks and monitors their profile. It is informed by data and information pertinent to each risk category, which is used to assess the residual risk impact and the likelihood of the risk crystallising. The consolidated view of the Group's risk profile is presented to the Risk, Compliance and Capital Committee for their approval, before being presented to the Audit and Risk Committee.

E A risk incident is a failure of process, people or systems which results in an actual or potential impact. Incidents are reported, recorded and investigated to determine the root cause, impact, theme and to ensure that appropriate remediation work is completed as required. Incidents are monitored and captured across the business and independently reviewed to ensure completeness and accuracy. Analysis of incidents is used to support our TDRA, RCSA and ORSA processes.

F KRIs are used by the Group to provide an early sign of changing risk exposures, enabling us to identify trends and emerging risks which are used to inform and support management decision making. Our KRIs form a fundamental part of our TDRA process.

G Our view of the risk profile is reported regularly through our governance structure to ensure it receives an appropriately high level of senior management and Board attention at both a Group and Regulated Entity level. The Boards take action, as required, where a risk is deemed to be outside of appetite.

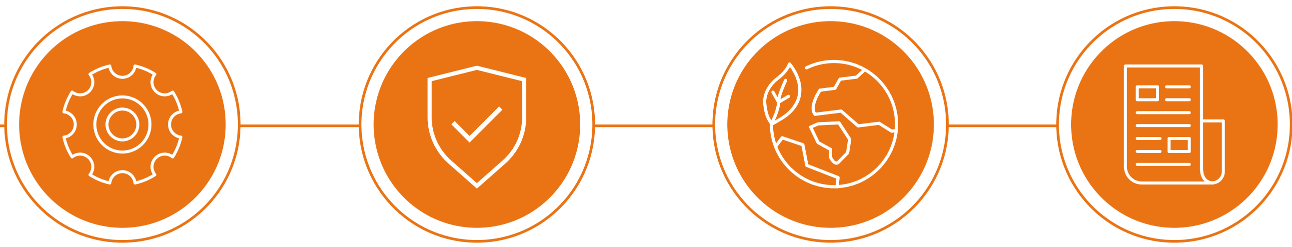
H Emerging risks are a condition, situation or trend that could significantly affect the Group's risk profile. They are raised by the business through the TDRA and RCSA process. Each one is challenged to consider likelihood, impact and any action required to ensure we are fully prepared should they begin to crystallise.

Risk profile

The Group is exposed to various risk types in pursuing its business objectives which can be driven by internal and external factors. Understanding and managing these risks is both a business imperative and a regulatory requirement. Our taxonomy defines and describes these risks, providing a consistent methodology for assessment and reporting. Some risks are pursued to support the business plan, such as the risks relating to investment performance. Other risks are inherent in routine business activities, such as the risk of Financial Crime. The differing risks faced by the Group are documented within our taxonomy and managed through the Group's ERMF in line with risk appetite. The type and severity of the risks we face can change quickly in a complex and competitive environment, therefore the framework for managing these risks is dynamic and forward-looking to ensure it considers both current and emerging risks which could potentially impact the Group.

As an investment management firm, Jupiter's most material risk exposures are in the Strategic, Market and Operational (including regulatory) risk categories. However, our exposure to Capital Adequacy, Liquidity and Credit/Counterparty risks is also monitored to ensure they are managed on a prudent basis and remain within regulatory requirements and the Group's risk appetite.

"As an investment management firm, Jupiter's most material risk exposures are in the Strategic, Market and Operational (including regulatory) risk categories."



Operational Resilience risk | **Conduct risk** | **Sustainability risk** | **Reputational risk**

The Group is also exposed to Sustainability, Operational Resilience, Reputational and Conduct risks and their associated harms. We consider these risk types to be pervasive throughout our taxonomy and the corresponding icons have been used to illustrate this within our principal risks for 2022. See from page 71 for more details.

OPERATIONAL RESILIENCE RISK

The Group defines Operational Resilience as the Group's ability to prevent, adapt, respond to, recover, and learn from operational disruption. Operational Resilience addresses how the continuity of the services that the Group provides are maintained regardless of the cause of disruption and helps to ensure that it is prepared for the inevitability of disruption, rather than only trying to minimise the probability of disruption occurring. It includes preventative measures and the capabilities in terms of people, processes and organisational culture to adapt and recover when things go wrong.

During 2022, significant focus has been placed on complying with the regulatory requirements relating to Operational Resilience. This has involved the identification of the Important Business Services (IBS) which could cause intolerable harm to clients, markets or Jupiter itself, understanding any vulnerabilities from a people, systems, premises and supplier perspective from delivering those services and setting appropriate impact tolerances for each IBS through testing against a broad range of severe but plausible scenarios to ensure that we understand the required resources to ensure our service remains robust.

As we move forward into 2023, focus will move to embedding this framework to ensure that we continue to challenge our ability to remain within our impact tolerances and enhance our Operational resilience through ongoing assessment and assurance testing.

CONDUCT RISK

The Group defines Conduct risks as those which can arise from action (or inaction) on an individual and/or firm level which results in customer detriment, a negative impact to market stability, or restricting effective competition. Conduct is considered in all aspects of the way the Group operates, including in relation to the Group's culture and values and how those influence an individual's behaviour.

The Group recognises that Conduct risk issues can crystallise across various parts of the business and can be strategic, financial, infrastructural or behavioural in their nature. Conduct risks can arise on both an individual and Group basis. Jupiter has continued to review and evolve its Conduct risk management approach in 2022.

Conduct risk is monitored through the Conduct Risk Dashboard. The dashboard is designed to provide a lens into Conduct risk from which the relevant Committees can review and investigate both potential and actual Conduct risk issues within the Group. The Conduct Risk Dashboard has continued to be reviewed and has been enhanced during 2022.

We have also continued to focus on educating employees on the importance of good conduct, with a specific training programme rolled out to all employees.

SUSTAINABILITY RISK

Sustainability risk is the failure to identify, assess, manage and report on ESG issues that could cause actual or potential material negative impacts on our core business activities.

Sustainability risk can crystallise through investment decisions that fail to adequately assess ESG materiality which impact the firm's financial performance and reputation, investment decisions that fail to adequately assess ESG materiality that create headline risk resulting in reputational damage, or operational risk including physical risks such as the increasing likelihood of extreme weather events which have the potential to place pressure on our operating environment and in extreme cases our Operational Resilience. Risks of this nature result from different areas of our enterprise risk taxonomy which are monitored and assessed through the ERMF to minimise the potential for client dissatisfaction or harm.

The Group has established a sustainability governance structure to oversee the management of Sustainability risk. The structure is centred around the Sustainability Committee and the IRF that feeds into the IOC. The Risk Compliance and Capital Committee oversee the risk profile of the Group through our TDRA, where Sustainability risk is specifically considered.

REPUTATIONAL RISK

The Group defines Reputational risk as the risk of loss or other adverse impact arising from unfavourable perception of the firm on the part of customers, counterparties, employees, regulators, shareholders, other stakeholders, the media or the general public. For example, Reputational risk can arise as a result of operational risk incidents, strategic decisions, or generally as a result of inappropriate behaviour of the Group, as perceived by various stakeholder groups.

Principal risk heatmap

The heat map illustrates the relative impact and likelihood of a risk crystallising on a residual basis, which is considered to be the risk exposure after the application of existing mitigating controls.

The heat map reflects the principal risk types to which the Group is exposed (as defined within our taxonomy) based on the potential impact and likelihood of them crystallising. We monitor all risks within the taxonomy, including Sustainability, Operational Resilience, Reputational and Conduct risks, through the quarterly review of our risk profile.

Overall, our risk profile increased during 2022, as a result of a number of external challenges.

Our increasing risk direction for Strategic risk reflects the disruption in markets following the invasion of Ukraine, which prompted increased volatility and operational risk.

The corresponding changing global sanctions regimes have increased our Financial Crime risk. Whilst the landscape continues to evolve, we believe that the Group has taken appropriate action and is well positioned and equipped to respond in a way that continues to mitigate risk and protect our client interests.

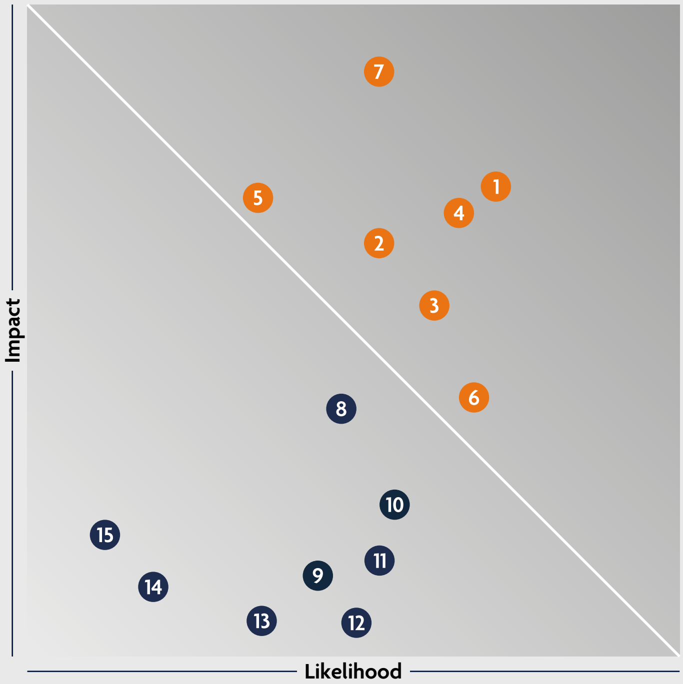
Jupiter's regulatory footprint has increased, driven by changes to the regulatory landscape, increasing regulatory divergence and an increase in communication with regulatory bodies in the post-pandemic environment. We continue to engage with our regulators in an open and transparent manner.

Technology and Information Security risk has also increased due to the potential for a cyber-attack. We continue to invest in our control environment in this area of the business, reducing vulnerabilities where possible.

Outsourcing remains a key component of our business strategy and we rely on our third-party relationships to deliver our business services.

Understanding and managing our People risk is essential to the success of our business. A full review of the resourcing requirements and capabilities required has been undertaken to ensure staffing levels reflect the size and complexity of the business, whilst also meeting our evolving business, operational and regulatory requirements.

Further details on the assessment of our most material risks are included in the tables on the following pages.



Principal risk	Risk direction
1 Strategic risk	↑
2 Market risk	→
Operational Risks	
3 Outsourcing and Supplier risk	↑
4 Regulatory risk	↑
5 Financial Crime risk	↑
6 People risk	↑
7 Technology and Information Security risk	↑
8 Data Management risk	↑
9 Execution, Processing and Reporting risk	→
10 Model risk	→
11 Legal risk	→
12 Business Continuity risk	→
13 Physical and Safety Security risk	→
14 Client and Fiduciary risk	→
15 Product risk	→

1 Strategic risk

- We consider Strategic risk to be the risk to our business as a result of matters inherent in the nature of our business model or the financial and competitive markets in which we operate.
- Key areas of focus during 2022 included the ongoing global inflationary landscape and market volatility, alongside a continued focus on sustainability.
- Europe and the UK has been impacted by market uncertainty as a result of the war in Ukraine and the impact of the Covid-19 stimulus. In addition, the UK was hit by political instability which contributed to the continued weakening of Sterling.
- The combination of a worsening macro-economic backdrop, continued geopolitical challenges and inflationary concerns, weighed upon investor sentiment during 2022. Despite this, Jupiter reported improved flows from the start of H2.

- The Board sets the strategy and ensures the organisation has the right structure, leadership, culture and resources to execute it.
- The Board and Executive Committee regularly review the strategic plan, opportunities and threats, budgets and targets.
- SMT created to ensure effective execution and delivery of strategy.
- Our risk appetite is aligned to our strategic objectives and is set and monitored by the Board.
- Independent second line oversight of our risk profile.
- We continue efforts to diversify across both regions and asset classes. Our strategy is to defend our existing UK positions where prudent to do so, whilst increasing the scale of our international and institutional businesses.

2 Market risk

- We consider Market risk to be the risk of loss arising from market movements, including the risk that any market risk mitigation techniques used by the Group prove less effective than expected.
- The Group is mainly exposed to market movements through the effect of asset values increasing or decreasing the level of AUM, impacting future revenue generation, foreign currency exposure, seed investments in funds and unfunded client subscriptions.
- The Board continues to set aside an amount of seed capital to be used to invest in Jupiter funds to support and grow our investment offering.

- During 2022 we have ensured we are fully compliant with IFPR regulations. We undertake rigorous stress testing to ensure that we remain adequately capitalised under severe but plausible adverse scenarios.
- The Group aims to hedge investments to limit relative volatility across the seed capital portfolio. Seed investments, redemptions and hedging are reviewed and approved by the Seeding Committee.
- We monitor investment positions and maintain appropriate hedges and limits, linked to our risk appetite, to ensure that our capital is not put at undue risk.

Operational Resilience risk

Conduct risk

Sustainability risk

Reputational risk

3 Outsourcing and Supplier risk

- We consider Outsourcing and Supplier risk to be the risk arising from incidents or failure of providers of services to deliver on their obligations, or inadequate selection or oversight of providers.
- We continue to review and assess our appetite for outsourcing to ensure that it remains effective in relation to the size and scale of our business.
- We continue to work closely with our critical third-party suppliers to ensure that the services they provide remain resilient.
- Our framework for the delegation of activities to third parties is continually reviewed, in line with regulatory requirements and market risks to ensure effectiveness.
- Third-party outsourcing remains a key part of Jupiter's strategic approach, which is reflected through our risk appetite.

4 Regulatory risk

- We consider Regulatory risk to be the risk of failing to comply with our regulatory obligations. This includes failures to implement changes required to meet new regulatory requirements.
- Jupiter's regulatory footprint has increased, driven by changes to the regulatory landscape, increasing regulatory divergence and an increase in communication with regulatory bodies in the post-pandemic environment.
- Regulatory change remains significant as we continue to see a high volume of regulatory activity (Sustainability, Consumer Duty and Operational Resilience) across the industry alongside our focus on growing the scale in our international business, which further increases our regulatory footprint.
- To ensure we remain well placed to meet all regulatory challenges, we continue to pro-actively engage with our regulators in an open and transparent manner while investing in education, training and a robust second line function.
- We have a cohesive and holistic approach to managing the evolving landscape of regulatory risk across jurisdictions and utilise industry insight and specialist expertise as required.

Operational Resilience risk

Conduct risk

Sustainability risk

Reputational risk

5 Financial Crime risk

- We consider Financial Crime risk to be the risk of financial crime activities, such as money laundering and terrorist financing, sanctions, proliferation financing, bribery and corruption, fraud, tax evasion or market abuse.
- The geopolitical events following the invasion of Ukraine disrupted markets which increased volatility and operational risk. The corresponding changing global sanctions regimes increased our financial crime risk. Whilst the sanctions landscape stabilises, ongoing challenges such as greater regulatory focus and a widening geographical distribution of some products have resulted in an increasing level of Financial Crime risk.

- We aim to limit Financial Crime risk by adopting robust procedures and controls and ensuring adequate expert resources are in place.
- We have a dedicated UK-based Financial Crime Compliance team, supported by local Compliance teams who provide guidance and training to the Group on financial crime related matters along with reviewing industry developments and changes to financial crime related legislation.
- The Group implemented use of an automated Anti-Money Laundering (AML) risk assessment tool to enhance oversight of this key Financial Crime risk.

6 People risk

- We consider People risk to be the risk of failures or poor practices relating to people management.
- Focused recruitment, talent and learning programmes are in place supported by robust HR policies and procedures which comply with all relevant rules, regulations, and guidelines.
- Resourcing requirements and capabilities continue to be reviewed to ensure staffing levels reflect the size and complexity of the business, whilst meeting our evolving operational, regulatory and sustainability requirements.
- Steps have been taken to ensure that the working environment created supports the career development and wellbeing of all staff.

- Our high-conviction investment approach is fundamental to the way we think. We understand the positive impact we can have on our clients.
- We respect and celebrate different perspectives and experiences.
- In line with our risk appetite, we give autonomy, coupled with personal accountability, and encourage independence of thought and challenge.
- We actively manage succession and succession plans are in place for critical staff.
- We have embedded diversity and inclusion goals and continue to invest in the development of our culture and staff.
- Following the global pandemic, we have continued to promote flexible working arrangements, alongside supporting our employees' wellbeing through a number of initiatives.

7 Technology and Information Security risk

- We consider Technology and Information Security risk to be the risk of deliberate attacks or accidental events that have a disruptive effect on interconnected technologies.
- The threat of a cyber event has remained elevated during 2022 due to a number of factors, including flexible working arrangements and the Russian invasion of Ukraine. While no significant cyber events have impacted Jupiter, we take a proactive approach to cyber event
- monitoring, which has thus remained a key focus throughout the year.
- Jupiter is certified in accordance with the UK government-backed Cyber Essentials Plus scheme, demonstrating our ongoing commitment to reducing the likelihood of a successful cyber event, despite the rising number of external attacks seen across the industry.

- We continue to make investments in our security systems to identify and reduce vulnerabilities as quickly as possible.
- We have invested in ongoing training and awareness on the risks of phishing and similar attacks, and we continue to work with our third-party suppliers to ensure that they are able to demonstrate compliance with Group standards and internationally-recognised good practice.
- A crisis management test, facilitated by a third party, to simulate a cyber incident has been conducted with no material issues identified. Following the conclusion of this test we reviewed and enhanced our Crisis Management Plan.

CHAIR'S INTRODUCTION TO GOVERNANCE

"Good governance ensures effective decision making, with due consideration of stakeholder interests, minimises and controls the risks a company, and its stakeholders, face and promotes diverse workforces."

NICHOLA PEASE
NON-EXECUTIVE CHAIR

Dear Stakeholder

Good governance is essential to running sustainable and successful companies; it is the processes by which businesses are run. It ensures effective decision making, with due consideration of stakeholder interests, minimises and controls the risks a company and its stakeholders face and promotes diverse workforces. This report aims to provide you with an overview of how Jupiter is governed, how the governance principles have been applied and the outcomes achieved.

Our wider purpose and strategy

This year we have broadened our purpose, to better reflect our place in the wider world and the improvements we can help drive in it, and we have refocused our strategy to ensure we deliver good outcomes for our clients and all other stakeholders.

Our new purpose statement reflects our ambitions to help drive a better future. In our role as stewards of our clients' investments, we can deploy capital in a manner which helps to address some of the issues our planet faces. This includes our net zero commitment and the Finance for Biodiversity Pledge. It is pleasing to see the progress being driven by our new corporate sustainability team and further information on our approach can be found in our dedicated report on page 38. As per our previous reports our strategy has focused on three key areas of investment, the development of our sustainability approach, our institutional business and our international business. We have been pleased to see that this strategy is starting to deliver, as discussed in my opening Chair's statement on page 6.

Since Matthew's appointment, he has discussed several proposals with the Board to refine and refocus our strategy, to help accelerate growth over the medium to long term. Further information on this can be found in our CEO's statement on page 10. The Board will continue to challenge the Group's strategy and support management in the successful execution thereof. Details of how the Board has undertaken this during the year and how each item considered relates to our strategic priorities, key risks and stakeholders can be found on pages 82 to 87.

Culture

Promoting a culture we can all be proud of has been a key part of the Board's focus, particularly in light of the changes across the business. In order to maintain Jupiter's strong culture throughout the changes, we have engaged with our employees across the business and focused on increasing our frequency and content of communications with employees. Through our culture dashboard, we have monitored a number of metrics to aid an assessment of Jupiter's culture. During the year, our HR team have led a project to engage with employees to identify the behaviours under each of our cultural pillars, to help embed our desired culture across the organisation. We will continue to monitor this closely throughout 2023, to ensure that Jupiter's culture supports a client-focused and responsible business, able to attract, retain and develop a diverse and talented workforce.

Board and senior management

As described in my opening statement on page 6, there have been a number of changes to the Board and senior management team both in structure and composition.

The Board have reviewed, challenged and agreed the proposed changes to the management and governance structures, which have been designed to make the organisation more agile, enhance the operations of our control functions and create efficient but effective oversight.

The membership of our Executive Committee has been streamlined and the SMT created, whose membership includes all Executive Committee members and heads of certain departments. The Executive Committee are responsible for developing strategy for Board approval, implementation of the strategy and day-to-day management of the business. The SMT has been established to support the Executive Committee in the implementation of the Group's strategy and appropriate allocation of resources. The SMT hold monthly meetings to discuss strategic development, business priorities, resource allocation and key projects across the Group.

I would like to take the opportunity to welcome all of those who have started or moved into new roles and thank all employees for their hard work and dedication to Jupiter.

Diversity, equity and inclusion

We believe having a diverse workforce and an inclusive culture leads to better decision making and better outcomes for our clients, employees and all other stakeholders. The Board and management have been focused on actions to help improve diversity, both within Jupiter but also across the investment management industry and details of our actions in this regard can be found from page 59.

This year we are reporting in line with the new listing rule requirements on diversity for the first time. Whilst the new rules do not take effect until the next financial year, due to the importance of this matter we have decided to adopt the new reporting framework this year. Further information on Board diversity and our compliance with the new requirements can be found in my Nomination Committee Report on page 94 and our diversity reporting tables on pages 60 to 61.

Stakeholder engagement

Stakeholder engagement has been of an even greater focus with recent changes across the organisation. There has been a particular focus on engagement with our clients, employees, shareholders and regulators, to provide details of the changes and hear their views on Jupiter's development.

Since Matt's appointment, he has met with representatives from each of these groups of stakeholders and provided feedback to the Board on key items discussed and the views expressed. Matt has very proactively increased his communication across the business, ensuring employees are fully briefed on key matters. The Board have also engaged directly with employees across the Group, formally through meetings and our employee engagement forum, Connections, and more informally at lunches and drinks. We have agreed a more informal catch up after each Board meeting, with employees from each of our key functions and we will rotate these across various teams throughout the year. I have also met with a number of shareholders and employees across the business and discussed the feedback with the Board.

We were delighted to hold an in-person AGM in 2022, for the first time since the global pandemic, and were pleased to meet with those shareholders who were able to attend the meeting. This year's AGM will be held in the same format, with a physical meeting in our offices, together with a live audiocast, so shareholders are able to listen to the meeting and ask questions, without being physically present, should that be their preference.

AGM voting

At the 2022 AGM we received less than 80% approval for a number of our resolutions namely the reappointment of Roger Yates and Dale Murray, the authority for the Company to issue new shares and the authority for the Company to repurchase existing shares. The results of the vote were primarily driven by our largest shareholder, whom we have engaged with on these matters and understand their views.

Their votes against the re-election of Directors were due to the number of external mandates held by those individuals, with our major shareholder having more stringent requirements than is market practice. The Nomination Committee has specifically considered the number of mandates held by each Director, the anticipated time commitments for each mandate, each of the Directors' responsiveness to Jupiter business, availability for additional ad-hoc meetings and the level of preparedness for the Board meetings. The Nomination Committee have confirmed that there are no indications that either Director is 'overboarded' and both continue to make a very valuable contribution to the Board and the Company as a whole.

We would also highlight that Roger Yates will step down from the Board of St James' Place, where he also serves as Chair of the Remuneration Committee and Senior Independent Director, with effect from the conclusion of their 2023 AGM. This will leave Roger with two mandates external to Jupiter; Chair of the Biotech Growth Investment Trust (an investment trust which requires significantly less time commitment than a standard operating company) and Non-Executive Director at Mitie plc. Of Dale's external mandates two appointments are to private companies and also involve significantly less time commitment. Dale also sits on the Boards of three other listed businesses, two of which are listed overseas and have differing year-ends to Jupiter. These differences in regulatory requirements and reporting dates mean that these entities have quite differing Board meeting schedules, which are often key points of activity for Non-Executive Directors. We continue to support the re-election of both Directors.

The concerns raised in relation to our ability to issue share capital and to repurchase our own shares, are due to our major shareholder’s voting policy on issuance of shares and the specific size of their holding.

Their voting policy requires the authority to issue shares to be restricted to 10% of the issued share capital, whereas we seek one-third approval which is below the maximum limits recommended by the Investment Association. We believe having this authority is important to ensure the Board has sufficient flexibility in the capital management of the Company and will propose this authority once again at the 2023 AGM.

Concerns with the authority to repurchase shares are specific to the size of their shareholding in Jupiter and not wishing to increase the size of this holding beyond certain percentage thresholds. As a result of this engagement, rather than seek authority for share repurchases up to 10% of the issued share capital, which is in line with market practice, we will propose, at the 2023 AGM, that authority to repurchase shares be granted up to 5% of the issued share capital. This provides sufficient headroom in the authority sought, to repurchase shares in accordance with our capital policy.

Looking forward

We will keep our governance structures and their operation under careful review in 2023 to ensure that they continue to operate effectively, deliver the anticipated benefits and support our enhanced status under SMCR. Looking forward, there are further potential regulatory and governance changes to be introduced following the BEIS consultation ‘Restoring Trust in Governance and Audit’ and implementation of regulatory frameworks including the FCA’s Consumer Duty and Sustainability Disclosure Requirements. As ever, we will look to drive best practice in this regard.

I hope you find the following report informative and I look forward to meeting with our shareholders at the forthcoming AGM.

NICHOLA PEASE
Chair

23 February 2023

Compliance Statement

Jupiter supports the principles of corporate governance as set out in the 2018 version of the UK Corporate Governance Code (the Code) as issued by the FRC, which can be found on their website at www.frc.org.uk.

Having reviewed the provisions of the Code the Board is satisfied that throughout the accounting year ended 31 December 2022, Jupiter complied with the provisions of the Code, with the exception of provision 32, which relates to the composition of the Remuneration Committee. As disclosed last year, due to Director changes, the Remuneration Committee comprised two independent Directors and the Chair, who was independent on appointment. The composition of the Remuneration Committee was fully compliant with provision 32 from 1 March 2022, when Suzy Neubert was appointed to the Board and the Remuneration Committee resulting in three independent Directors and the Chair. Further information on how the Company has applied the principles of the Code is set out in this Governance section.

Code principle	Page reference
Board Leadership and Company Purpose	74
Division of Responsibilities	81
Composition, Succession and Evaluation	96, 97 & 92
Audit, Risk and Internal Control	99
Remuneration	112

BOARD OF DIRECTORS

A Member of Audit and Risk Committee
R Member of Remuneration Committee
N Member of Nomination Committee
Denotes Chair of Committee

NICHOLA PEASE

N R

Appointed
Non-Executive Chair in March 2020

Committees
Chair of the Nomination Committee
Member of the Remuneration Committee

Skills and experience
Nichola has over 35 years' experience in asset management, including at Chief Executive level, and the wider financial sector. With her extensive experience, Nichola brings strong leadership skills and a deep understanding of investment management to the Board.

Previous appointments
Nichola's most recent role was as an independent Non-Executive Director of Schroders PLC from September 2012 to November 2019, where she was also Chair of the Remuneration Committee. She was previously the Chief Executive of J O Hambro Capital Management Ltd from 1998, until her appointment as Deputy Chair in 2008. Her previous experience includes Kleinwort Benson, Rowe Price-Fleming, Citibank and Smith New Court where she built the European broking business and subsequently joined the Board. Nichola was also previously Chair of the Investment20/20 Apprenticeship Scheme.

Current external appointments
Nichola is currently Chair of Jumo Ltd.

MATTHEW BEESLEY

Appointed
Chief Executive Officer in October 2022
Deputy Chief Executive Officer in June 2022
Chief Investment Officer in January 2022

Skills and experience
With nearly 25 years of experience in the investment industry including leadership positions at Artemis, GAM and Henderson, Matthew has an in-depth knowledge of the industry with experience in the management and oversight of teams specialising in varying investment strategies based in Europe, Asia and the US.

Matthew's strategic insights, leadership skills and unwavering focus on client outcomes means that he is ideally placed to lead Jupiter in its next phase of its development.

Previous appointments
Matthew was previously Chief Investment Officer at Artemis and has held senior investment roles at GAM and Henderson Global Investors. He was also formally a member of the Church of England Pension Board's Investment Committee, advising on $4bn of ethically invested pension fund assets.

Current external appointments
Matthew has no external appointments.

DAVID CRUICKSHANK

A N

Appointed
Independent Non-Executive Director in June 2021

Committees
Chair of the Audit and Risk Committee
Member of the Nomination Committee

Skills and experience
David spent his executive career at Deloitte and retired from the firm in June 2020. He qualified as a chartered accountant in 1982 and specialised in advising on large international corporate transactions. He was appointed a partner in 1988 and led the UK Tax Practice from 1998 until 2006. He was elected Chair of Deloitte's UK Board in 2007 and served two terms before being elected Chair of Deloitte's Global Board in 2015. During this period, David led the Boards through a period of major regulatory change and business transformation and has broad experience across different industry sectors and geographies.

Previous appointments
David is the former Chair of Deloitte's UK Board and then Deloitte's Global Board and previously served as Co-Chair of the Partnering Against Corruption Initiative at the World Economic Forum.

Current external appointments
David is the current Non-Executive Chair of McInroy & Wood Ltd, Social Progress Imperative Inc and the Education and Employers Charity. He is also a member of the Council of the Institute of Chartered Accountants of Scotland.

WAYNE MEPHAM

Appointed
Chief Financial Officer in September 2019

Skills and experience
Wayne has over 27 years' experience in asset management and across the financial services sector gained in senior financial roles and as a chartered accountant. He has technical expertise in accounting and financial reporting and a strong focus on internal controls. Wayne's deep understanding of investment management enables him to bring a strong strategic approach to his role. Since joining Jupiter, Wayne has also taken on responsibility for our HR, Risk and Compliance functions.

Previous appointments
Wayne began his career at PwC LLP (PwC) where he progressed to lead audits in the Insurance and Asset Management practice. Prior to joining Jupiter, he worked at Schroders plc for nine years and was responsible for the Global Finance function as well as Procurement and Investor Relations.

Current external appointments
Wayne has no external appointments.

DALE MURRAY

A N

Appointed
Independent Non-Executive Director in September 2021

Committees
Member of the Audit and Risk Committee
Member of the Nomination Committee

Skills and experience
Dale is a qualified accountant and technology entrepreneur who co-founded the British mobile telecoms software business Omega Logic. Following Omega Logic's sale to Eposs Ltd, then First Data Corporation, Dale served as CEO of the enlarged Group until 2005. She then made a number of investments in the digital sector and was awarded the British Angel Investor of the Year in 2011.

Previous appointments
Dale was previously a Non-Executive Director at Peter Jones Foundation, UK Trade & Investment, Sussex Place Ventures Ltd and the Department for Business, Innovation and Skills.

Current external appointments
Dale currently serves as a Non-Executive Director of Xero Ltd, Lendinvest plc, The Cranemere Group Ltd, Rated People Limited and Lightspeed Commerce Inc.

CHRIS PARKIN

Appointed
Non-Executive Director in July 2020

Committees
None

Skills and experience
Chris Parkin has over 15 years of experience in the private equity industry with a primary focus on financial services companies, particularly in fund management, wealth management and insurance, as well as on consumer-facing businesses, including education services, consumer goods and retail. He brings detailed knowledge of the financial services sector with a strong client focus and significant experience of business transformation.

Previous appointments
Before joining TA Associates, Chris was an investment manager at Lazard Private Equity and prior to that he spent seven years with Bain & Company in London and New York. Chris' previous Non-Executive Directorships include, amongst others, DNCA Finance, PhysIOL, Internationella Engelska Skolan and Hana Group. Chris also served on the Board of Jupiter Fund Management plc from 2007-2010 and Merian Global Investors until early 2021.

Current external appointments
Chris is co-head of TA Associates' EMEA Services Group and is a Non-Executive Director of Inspired Education Holdings Limited, Biocomposites, Surfaces Group, Fairstone Group Limited, Soderberg and Partners, and Nactarome.

A Member of Audit and Risk Committee
R Member of Remuneration Committee
N Member of Nomination Committee
Denotes Chair of Committee

SUZY NEUBERT

N R

Appointed

Independent Non-Executive Director in March 2022

Committees

Member of the Remuneration Committee
Member of the Nomination Committee

Skills and experience

Suzy is a qualified barrister with broad asset management experience extending over 30 years. She also has an in-depth knowledge of capital markets and, importantly, evolving client needs having previously led the global distribution function at J O Hambro Capital Management. Prior to this role, Suzy was Managing Director of Equity Markets at Merrill Lynch and therefore brings an excellent understanding of the international wholesale and institutional channels in which the Company operates.

Previous appointments

Suzy started her career in investment management as an analyst before moving into sales and marketing. Suzy was Global Head of Distribution at J O Hambro Capital Management until 2020 and had previously been Managing Director of Equity Markets at Merrill Lynch.

Current external appointments

Suzy is currently Senior Independent Director of Witan Investment Trust plc, a Non-Executive Director of ISIO, a Non-Executive Director of LV= where she chairs the investment committee, and is a trustee of the Prince's Trust.

KARL STERNBERG

A N R

Appointed

Independent Non-Executive Director in July 2016

Committees

Member of the Audit and Risk Committee
Member of the Nomination Committee
Member of the Remuneration Committee

Skills and experience

Karl brings some 30 years' international experience in the investment industry gained through both executive and non-executive roles.

Previous appointments

Karl was a founding Partner of institutional asset manager Oxford Investment Partners, which was bought by Towers Watson in 2013. Prior to that, he held a number of positions at Morgan Grenfell/Deutsche Asset Management between 1992 and 2004 including Chief Investment Officer for London, Australia, Europe and the Asia Pacific. Since 2006 he has developed his Non-Executive Director career, with a focus on investment management and the investment trust sector in particular. From 2010 to 2015 he was a Non-Executive Director of Friends Life Group plc where he was Chair of the Investment Oversight Committee. Karl was Chair of JPMorgan Income & Growth Investment Trust plc until November 2016.

Current external appointments

Karl is Chair of Monks Investment Trust plc and Clipstone Industrial Reit plc and a Non-Executive Director of Herald Investment Trust plc and Howard de Walden Estates.

ROGER YATES

N R

Appointed

Senior Independent Director in May 2021
Independent Non-Executive Director in October 2017

Committees

Member of the Nomination Committee
Chair of the Remuneration Committee

Skills and experience

Roger has considerable knowledge of the asset management business with over 30 years' experience in the industry having served as a fund manager, senior executive, Non-Executive Director and Chair. Having led two global investment managers, Roger also brings significant understanding of international business management to the Board.

Previous appointments

Roger started his career at GT Management in 1981 and subsequently held positions at Morgan Grenfell and Invesco as Chief Investment Officer. He was appointed Chief Executive Officer of Henderson Group plc in 1999 and led the company for a decade. Most recently Roger was a Non-Executive Director of IG Group Ltd, Chair of Electra Private Equity plc and Chair of Pioneer Global Asset Management S.p.A. He was also a Non-Executive Director of JPMorgan Elect plc from 2008 to 2018.

Current external appointments

Roger is the Senior Independent Director of St James's Place plc where he chairs the Remuneration Committee, Senior Independent Director at Mitie Group plc and Chair of The Biotech Growth Trust plc.

EXECUTIVE COMMITTEE

MATTHEW BEESLEY

Chief Executive Officer and Chair of the Executive Committee

Responsible for the strategic development of the Group and for the management of the overall business. See page 77 for Matthew's full biography.

WAYNE MEPHAM

Chief Financial Officer

Responsible for financial management, capital management, tax, investor relations, procurement, HR, risk and compliance. See page 78 for Wayne's full biography.

PAULA MOORE

Chief Operating Officer

Paula joined Jupiter in 1997 and has held many senior roles within the Group. Paula qualified as a chartered accountant and has over twenty years' experience in the financial services industry. Her earlier career included roles at EY LLP (EY), Apax Partners and PFM Group (a wealth manager). Paula is the Chief Operating Officer and is responsible for the Group's day-to-day operations including all fund operations, IT and facilities teams.

WARREN TONKINSON

Global Head of Distribution

Warren joined Jupiter in July 2020 as Managing Director – Distribution from Merian Global Investors where he was Global Head of Distribution. Prior to this, Warren was Head of Distribution for Old Mutual Global Investors and Managing Director at UBS Global Asset Management. Warren is responsible for the distribution of all of Jupiter's products, which includes management of the distribution, marketing and communication teams.

GOVERNANCE FRAMEWORK

The Board has an effective governance framework in place to help promote the success of the Company for the benefit of all its stakeholders. The day-to-day management of the Group is delegated to the Chief Executive Officer, with exception of the matters specifically reserved for the Board's decision. An overview of the governance framework and key roles and responsibilities is detailed below.

Board governance framework

Schedule of matters reserved

- Establishing the Group's commercial objectives and strategy
- Setting the Group's purpose, culture and values
- Approving significant capital projects, expenditure and borrowings
- Overseeing the Group's operations and management, and maintaining an effective system of internal controls and risk management
- Setting the annual budget
- Approving the capital allocation, dividend payments and other uses of capital
- Overseeing financial reporting, including approving the Annual Report and Accounts and interim financial statements
- Ensuring adequate succession planning, including agreeing Board and other senior appointments and the appointment or removal of the Company Secretary
- Deciding major acquisitions, disposals and investments

The full schedule of matters reserved for the Board can be found on our website at www.jupiteram.com.

Board

Non-Executive Chair*

- Leads the Board, ensuring its effective discharge of duties
- Ensures effective governance
- Engages with stakeholders and ensures their views are understood by the Board and decisions consider their interests

Chief Executive Officer*

- Proposes the strategy and ensures its execution
- Runs the business within the delegated authorities, risk management and internal control frameworks
- Builds and maintains an effective management team

Chief Financial Officer

- All aspects of financial and capital reporting and the integrity thereof
- Supports the CEO in the execution of the strategy
- Responsible for Finance, HR, Investor Relations, Procurement, Risk and Compliance

Senior Independent Director*

- Sounding board for the Chair
- Leads the Chair's performance appraisal and succession
- Available to shareholders and Board members, should they have concerns not resolved through normal channels

Independent Non-Executive Directors

- Contribute to and constructively challenge management on the development and implementation of the strategy
- In conjunction with management, establish the Board's risk appetite and monitor the control framework
- Constitute the Board's governance committees

Audit and Risk Committee

- Board Committee comprises three independent Non-Executive Directors
- Responsible for overseeing financial reporting, risk management and internal control framework, compliance and external and internal audit
- Read how we are delivering our priorities from page 99

Remuneration Committee

- Board Committee comprises three independent Non-Executive Directors and the Chair of the Board, who was independent on appointment
- Responsible for overseeing the remuneration of Executive Directors, senior management and Group-wide remuneration policies
- Read how we are delivering our priorities from page 112

Nomination Committee

- Board Committee comprises all independent Non-Executive Directors and is chaired by the Chair of the Board
- Recommends changes to the structure of the Board, oversees succession planning for the Board and senior management, and talent and diversity policies across Jupiter
- Read how we are delivering our priorities from page 94

Executive Committee

- Operates under the authority and direction of the Chief Executive Officer
- Responsible for the operational and financial performance of the Group
- Formulates strategy and agrees business plans, budgets, policies and procedures for the day-to-day management of the Group
- The Executive Committee has delegated certain authorities to a number of operating Committees under the Group's governance framework

Senior Management Team

- Comprised of the Executive Committee and senior managers from key areas of the business
- Supports the Executive Committee with the effective implementation of the Group's strategy and appropriate deployment of resources, including oversight of all business and regulatory projects

* The roles of Chair, Chief Executive Officer and Senior Independent Director are clearly defined in writing, approved by the Board and available on the Company's website at www.jupiteram.com.

BOARD ACTIVITIES

In addition to the five scheduled meetings the Board held five additional meetings, which were convened to consider certain matters which were urgent or needed consideration before the next scheduled Board meeting. The Board also held a strategy off-site, over a day and a half, which was attended by all Directors and members of the executive team. Chris Parkin was unable to make two meetings, one of which was scheduled at short notice to consider the FCA's new consumer duty. Chris read all papers and fed any comments directly into the Chair. Wayne Mepham was also unable to attend the meeting to consider consumer duty, but as Chair of the Group's regulated investment management entity he had already reviewed and challenged the Group's plans in this regard.

A Board briefing session is held on the day or so before a Board meeting and these sessions are designed to assist with Director training and knowledge of the business and further information can be found within the Director Training and Induction section on pages 90 to 91.

The Chair has held meetings with just the Non-Executive Directors, some of which included the CEO. The Senior Independent Director has also met with other Directors to evaluate the Chair's performance.

Individual Non-Executive Directors have also met with senior members of management on an individual basis. This engagement has been supported by the Company's Non-Executive Director pairing system, under which historically each Non-Executive Director has been paired with a member of the Executive Committee. Each pairing held between 4-6 meetings per annum and the scheme was designed to give the Non-Executive Directors greater understanding of the relevant business unit and help the Executives to gain a better of understanding of the Board and its objectives/views.

With effect from 2023, it has been agreed that the pairing system will be expanded to SMT members. Under the new scheme each Non-Executive Director will be paired with 2-3 members of the SMT and will meet with each SMT member at least twice per year.

Director	Meetings attended
Nichola Pease	10/10
Matthew Beesley[1]	4/4
David Cruickshank	10/10
Andrew Formica[2]	8/8
Chris Parkin	8/10
Wayne Mepham	9/10
Dale Murray	10/10
Suzy Neubert[3]	8/8
Karl Sternberg	10/10
Polly Williams[4]	3/3
Roger Yates	10/10

1. Matthew Beesley was appointed a Director on 28 June 2022 and as CEO on 1 October 2022.
2. Andrew Formica stepped down from the Board and as CEO with effect from 1 October 2022.
3. Suzy Neubert was appointed a Non-Executive Director with effect from 1 March 2022.
4. Polly Williams stepped down from the Board and as Chair of the Audit and Risk Committee with effect from 11 May 2022.

At each meeting, the Board receive an update from the CEO, CFO, Heads of Investment Management (previously from the Chief Investment Officer), Head of Distribution and COO, which considers the performance of the relevant business area and any key areas of focus. Various members of the firm's senior management team attend part or all, of the Board meetings, and this includes the General Counsel who attends all meetings to advise on legal and regulatory considerations. The CEO also provides regular updates to the Board members outside of the formal meeting schedule on developments within the business and any matters to raise to the Board's attention.

The principal Board activities and outcomes undertaken during the year are detailed in the table below, together with the strategic priorities, principal risks and impacted stakeholder Groups.

Key

Link to strategic priorities

1 Increase scale
2 Decrease undue complexity
3 Broaden our appeal to clients
4 Deepen relationships with all stakeholders

Link to principal risks

1 Strategic risk
2 Market risk

Operational risks

3 Outsourcing and Supplier risk
4 Regulatory risk
5 Financial Crime risk
6 People risk
7 Technology and Information Security risk

Relevant stakeholder Group

Clients
Business partners and suppliers
People
Society
Shareholders
State and regulators

Item	Outcomes	Link to core objectives and principal risks	Stakeholders
Strategy and Business Development			
Strategy development	• Attended a 1.5 day strategy review with deep dives on: ◦ Investment products, capabilities and profitability ◦ Distribution ◦ Capital policy ◦ Operational efficiency ◦ Culture, morale and reward • Worked with the incoming CEO to develop and refocus strategic priorities.	1 2 3 4 1 6	
Sustainability *See page 38 for further information.*	• Received updates on the progress against the Group's sustainability strategy. This included progress against the project to align the Group's product range to net zero. • Reviewed commitments and plans under the Finance for Biodiversity Pledge which commits us to working to improve ocean biodiversity. • Received updates on the implementation of SFDR. • Reviewed the approach to managing the risk of modern slavery occurring within the firm, its supply chain or within companies the Group's funds are invested in and approved the Modern Slavery and Human Trafficking Statement. The improvements in the processes resulting from the enhancements to the supplier management framework were noted.	3 4 1 3 4	
Product rationalisation	• Approved the plans to rationalise the firm's fund range with a number of mergers, closures, and repositionings proposed, to ensure an efficient fund range suitable for client needs.	2 3 1 4	
Market Intelligence, Client Trends and Peer Analysis	• Considered six key trends within the industry as detailed below and the impact on Jupiter including potential challenges and opportunities. ◦ Client macro views ◦ Product trends ◦ ESG ◦ Institutional ◦ Pricing ◦ Consolidation • Reviewed the UK and cross-border competitor landscape and undertook deep-dive reviews of peer firms including product ranges and operating models.	1 2 3 1	
Distribution	• Reviewed the Group's distribution strategy, by region and individual offices, including information on client relationships, people, resource deployment, contribution and growth plans. • Received updates from the Institutional business team, including an overview of the newly formed team, client and consultant relationships. The good progress in this key strategic area over the last year and the forecasts for future growth were noted.	1 2 3 4 1	
Product development	• Reviewed and agreed the launch of five new thematic funds. • Agreed a strategic list of funds which have been identified by management as drivers for growth. • Reviewed and challenged potential new product structures and the development of capabilities for the management of new asset classes.	1 2 3 1 2 3 4	

Item	Outcomes	Link to core objectives and principal risks	Stakeholders
Strategy and Business Development			
Target operating model	• Reviewed the Group's current and target operating model, including against peers, challenged areas identified for investment and tested implementation plans. It was agreed that regular updates on this project be provided to the Board throughout 2023. • The Board agreed the priorities to enhance the firm's use of technology, increase automation and drive improvements to data governance and the Group's client and management reporting.	1 2 3 1 3 4 6 7	
Capital and Dividend Policy	• Considered, challenged and approved a revised capital allocation and dividend policy (further information on page 28). • Approved a share repurchase programme in the amount of £10m and a further £16m share repurchase programme announced. • Approved an increase in the Group's seed capital limit to £200m. • Approved full year and interim dividends.	1 4 1	
Performance			
Monitored financial performance and capital position	• Ongoing monitoring of financial performance including revenue, profit and cost forecasts against budget and KPIs, and considered performance against market consensus. • Monitored forecast liquidity and regulatory capital surplus to ensure it remained within the Board's risk tolerance. • Considered the impact of the Group's cost reduction programme and monitored the anticipated outcomes. • Received updates on the Group's seed portfolio and performance of associated hedging and forward contracts.	2 1 2	
Investment performance	• Regular review of investment performance across all fund ranges and investment trusts and assessed funds against expected performance outcomes in light of the market environment. • Received presentations from a range of fund managers on their fund, growth strategy and key challenges and opportunities.	1 3 1 2	
2023 budget and five-year financial plan	• Challenged and approved the 2023 budget and five-year financial plan, having reviewed the underlying assumptions for net flows, market growth, the macro environment, revenue margins, costs including investment for growth and various scenario analysis.	1 2 3 4 1	
Branding	• Considered Jupiter's current brand profile and the impact of recent developments within the business. • Considered the project to review and establish Jupiter's core brand identity and ensure this was embedded across the business.	1 3 4 1 6	
Cost reduction programme	• Reviewed and challenged management's plans for a cost reduction programme which included decreased external expenditure and a redundancy programme. • The Board emphasised the key principles of the scheme to remove complexity where possible, whilst ensuring no impacts to clients or the Group's risk profile. • Considered implications for employees and wider stakeholders, together with the wider macro picture and implications of market downturns. • Discussed the Board's duties to promote the success of the Company and approved the cost reduction programme.	2 1 4 6	

Item	Outcomes	Link to core objectives and principal risks	Stakeholders
People and Culture			
Culture	• Assessed and monitored culture through regular updates from the CEO, reviewing the Group's culture dashboard, which includes metrics on employee turnover, compulsory training, conduct risk incidents, phishing tests and engagement results, amongst others. • Considered employee survey results and resulting action plans and employee direct engagement (as below). • Dedicated culture and people updates from the HR Director, with a focus on the level of change across this business. • Reviewed the outcome of the project to develop specific behaviours under Jupiter's cultural pillars.	3 4 1 4 5 6	
Employee engagement	• The Board engaged with the Chair of Connections, the Group's employee forum, to discuss employee views. • Non-Executive Directors met privately with the Connections Chair, and informally with senior managers and investment managers across the business. • Considered feedback from employees, following the Chair's meetings with senior employees across the business. • The Board and management have proactively increased engagement with employees throughout the period of change across the organisation.	4 1 6	
Diversity, Equity and Inclusion	• The Board reviewed the plans to improve diversity across the business and ensure an inclusive culture for our people and other stakeholders. This included adoption of new and enhanced policies to further support our people at key stages of their life and career. • The Board considered the diversity targets and progress thereon.	4 1 6	
Employee retention and reward	• Considered the level of employee retention risk especially in light of the wider market environment for talent. • Reviewed changes made to the Group's employee reward structure, as approved by the Remuneration Committee, designed to improve staff retention and increase transparency.	4 1 6	
CEO succession	• Approved the Group's succession plan for the role of CEO and the appointment of Matthew Beesley as CEO-designate. • Oversight of CEO transition programme, which includes assistance and support from third parties to help ensure a seamless transition of responsibilities.	1 2 3 4 1 6	
Board appointment	• Approved the appointment of Suzy Neubert, a new Non-Executive Director.	1 2 3 4 1	

Item	Outcomes	Link to core objectives and principal risks	Stakeholders
Risk Management and Compliance			
For further information see the Risk Management Report on page 66 and the Audit and Risk Committee Report on page 99.			
Risk Appetite Statement and ERMF	• Reviews of the ERMF and related risk, control and compliance processes were undertaken during the year. This included as a result of the separation of the Risk and Compliance functions where an assessment of our maturity, compared with other firms, was undertaken. • A number of enhancements were identified and changes were approved. It is anticipated that further opportunities may be identified next year, continuing to mitigate risks, as recommendations arising from the reviews are integrated. Further information is provided within the Audit and Risk Committee section of this Annual Report and Accounts.	2 1 2 3 4 5 6 7	
Principal and Emerging Risks	• Discussed the principal and emerging risks and reviewed and approved the risk management disclosures in the annual and interim reports as recommended by the Audit and Risk Committee.	2 1 2 3 4 5 6 7	
Assessed Effectiveness of Internal Controls	• Reviewed the effectiveness of the internal control environment including consideration of risk incidents, the output from the risk and control self-assessment, compliance and internal audit findings. • Reviews of certain control processes were undertaken during the year, including of the overall review of the lines of defence and the potential to enhance our control environment and mitigate risk. The reviews identified a number of enhancements to the control framework to strengthen and automate controls, with a focus on investment management and compliance controls, the implementation of which would be overseen by the Audit and Risk Committee. Further information is provided within the Audit and Risk Committee section from page 99.	2 2 3 4 5 6 7	
Consumer Duty	• Received an update on the new regulations introduced by the FCA. • Reviewed and challenged the Group's plan and timetable for implementation of the new requirements.	4 4	
Cyber Security Risk	• Explored the measures undertaken to protect the firm and its stakeholders from cyber-attacks. • Reviewed recent cyber incidents in the public domain and analysed lessons which applied to Jupiter. • Assessed the Group's operational resilience after a cyber-attack, including consideration of a cyber incident test undertaken in the first half of the year.	2 3 4 5 7	

Item	Outcomes	Link to core objectives and principal risks	Stakeholders
Governance			
Governance Framework	• Approved changes to the governance framework including the creation of the SMT, changes to the composition of the Executive Committee, changes to our Risk and Compliance functions and approval of various documentation to implement the changes.	2 4 / 1 4	
Board Evaluation *See page 92 for further information.*	• Considered progress against areas identified for further developments or as priorities in the 2021 evaluation. • Reviewed the results from the 2022 annual Board evaluation and agreed action plans.	4 / 1	
Health and Safety	• Received an update on health and safety across the Group.	4 6	
Tax Strategy	• Reviewed and approved changes to the Group's tax strategy in the annual review process and, additionally, a small number of changes to achieve the Fair Tax Foundation accreditation.	4 / 5	
Terms of Reference	• Reviewed and approved terms of reference for the Board's key Committees.	4 / 1	
External Reporting *For further information see the Audit and Risk Committee Report on page 99.*			
Annual Report and Interim Results	• Upon the recommendation of the Audit and Risk Committee reviewed, challenged and approved the 2021 Annual Report and Account and 2022 interim results. • Reviewed analyst presentations for the full year, interim and Q3 trading update presentation.	4	
Appointment of Auditors	• In line with the audit tender undertaken last year, the Audit and Risk Committee agreed to recommend to shareholders that EY be appointed as the Group auditor at the 2023 AGM.	4	
ICARA	• Received an update on the new requirements and how the Group would address these. • Reviewed, challenged and approved the Group's ICARA, which was the first time under the new FCA requirements.	1 / 1 2 3 4 5 6 7	

CONSIDERING STAKEHOLDERS IN DECISION MAKING

Section 172 of the Companies Act 2006 requires the Directors to act in the way that they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- The likely consequences of any decision in the long term;
- The interests of the Company's employees;
- The need to foster the Company's business relationships with suppliers, customers and others;
- The impact of the Company's operations on the community and the environment; and
- The desirability of the Company maintaining a reputation for high standards of business conduct and the need to act fairly as between members of the Company.

The Company's section 172 statement of compliance can be found on page 53, together with an overview of our key stakeholders, their key priorities, how we as a Company engage with them and the outcomes of that engagement.

Details of how the Directors have fulfilled their duties can be found throughout the Strategic and Governance reports on the following pages:

- The likely consequences of any decision in the long term – pages 52 to 53, 82 and 89.
- The interests of the Company's employees – pages 52, 56 to 62, 85, and 88 to 89.
- The need to foster the Company's business relationships with suppliers, customers and others – pages 34 to 35 and 38 to 54.
- The impact of the Company's operations on the community and the environment – pages 38 to 53.
- The desirability of the Company maintaining a reputation for high standards of business conduct – pages 38 to 53, 64 and 65.
- The need to act fairly as between members of the Company – pages 52 to 53 and 82 to 89.

Clients

How does the Board engage?

The Board has primarily delegated responsibility for client engagement to Senior Management and our Distribution and Investment Management teams. At each meeting the Board receives updates from our Global Head of Distribution and Heads of Investment Management (previously the CIO) which includes information on client engagement and views. Since his appointment, Matthew Beesley has met with a number of clients across all of our jurisdictions and provided feedback to the Board. We also receive updates directly from our clients, who attend and speak at Board briefings and internal governance committees and forums, where appropriate.

A client engagement survey was undertaken in Q4 2022 and the results thereof will be analysed and an action plan developed in early 2023.

Shareholders

How does the Board engage?

Jupiter has a dedicated Investor Relations department who are responsible for running a programme of shareholder events. Our CEO and CFO provide Board representation at the majority of shareholder meetings. We have engaged with shareholders to seek their views on our capital policy. Our Chair engages with major shareholders on governance matters and the Chair of the Committees meets with shareholders when appropriate or requested.

All parties report back to the Board on any shareholder engagement. All of the Directors attend our AGM and last year we were able to hold an in-person AGM for the first time in two years due to the Covid-19 restrictions. As per last year we will be holding both a physical meeting and live audiocast of the AGM to ensure that people can listen and ask questions to the Board both virtually and in-person.

People

How does the Board engage?

Jupiter has an established employee forum 'Connections', which is the primary method of workforce engagement. The Chair of Connections meets with the Board, the Remuneration Committee and separately with only the Non-Executive Directors present. Our CEO and HR Directors regularly attend Connections meetings and the forum also engages directly with the Executive Committee.

During the year, due to the changes across the organisation, the Chair, individual Directors and the Board as a whole, have increased communication with employees, with a focus on more informal engagement. Where appropriate, the feedback provided is discussed at Board meetings.

Since his appointment, Matthew Beesley has engaged with people across the business to seek their views and provide updates on key matters impacting the business, and has provided updates to the Board as appropriate.

How are stakeholder interests considered?

We believe that, in order to be managed and considered effectively, stakeholder interests need to be embedded across all levels of the organisation. This means that decisions taken below Board level also consider the interests of our stakeholders and help to ensure the appropriate escalation of stakeholder considerations through the Group's governance framework. Our culture, values, governance framework, code of conduct and training all help to support this.

At a Board level, the Board considers and discusses information from across the Group, and views of our stakeholders, to understand the impact of its decisions.

Stakeholder considerations in our decision making

This includes regular reporting on the Group's performance, key risks and legal and regulatory compliance. Where decisions are taken, the impacts on different stakeholders are clearly identified within Board papers and discussed by the Board.

Stakeholders can have different and sometimes competing interests, priorities and views, and these need to be balanced with each other and within the wider duty of the Board to promote the long-term sustainable success of the Company. Not all decisions can deliver the desired outcomes for all stakeholders.

We have included information on some of the key decisions taken by the Board during the year, and how stakeholder interests were considered.

Key Board decisions	Key considerations	Outcomes
Product rationalisation Strategic priorities: 2, 3 Stakeholders: Clients, People, Shareholders, Business partners and suppliers, State and regulators	• Having a differentiated high-performing range of funds, in areas of client demand, is critical to our business. • A review was undertaken to optimise the fund range and reduce complexity through a number of mergers, closures or repositioning of funds. • The impact on clients within those funds identified a need for change and the need for clients to be treated fairly. • Potential scenarios for loss of assets within the impacted funds and in turn how this would impact profitability and returns for shareholders.	• Challenged and approved proposed changes to the fund range with mergers, closures or repositioning impacting approximately one third of the fund range. • Ensured an appropriate governance framework was in place to review, challenge and approve all of the necessary changes, client communications and engagement with regulators.
Cost reduction programme Strategic priorities: 2 Stakeholders: Clients, People, Shareholders, Business partners and suppliers	• The rapidly deteriorating macro environment and the impact on the Group's AUM, profitability and outlook. • The need to promote the success of the Company and ensure a sustainable business for the benefit of all stakeholders. • Impacts on all employees, including those potentially being made redundant, those being moved into new roles and those not directly impacted by the change. The level of support offered to impacted employees and a key focus was morale across the firm. Updates on engagement with employees through the Connections forum. • Views of clients and the need to ensure no deterioration in client service. • Potential implications for relationships with suppliers and other key parties. • Returns to shareholders.	• Approved a cost reduction programme. As a result of this, and other related management actions, fixed staff costs for 2023 are £10m lower than we had originally budgeted. • Agreed the basis for redundancy payments and the support offered to departing employees. The Remuneration Committee received more granular information by impacted individuals. • Emphasised the need to ensure no detriment to client service or increase in the risk profile of the firm.
Capital Policy Strategic priorities: 1, 4 Stakeholders: People, Shareholders, State and regulators	• The Group's current progressive dividend policy and the need to move to a more sustainable dividend. • The benefits of increased flexibility to manage the firm's capital position, with flexibility to make further investments in the business or return additional capital to shareholders. • Views of our major shareholders on the Group's capital policy and the impact of the proposed changes, which would also impact our employees, the majority of whom are shareholders. • The Group's current capital position, the level of regulatory capital surplus and the impact of share repurchases on EPS.	• Approved a revised dividend policy, further information on which can be found on page 28. • Announced an additional return of capital to shareholders in the amount of £10m, through a share repurchase programme which completed in January 2023. A further £16m share repurchase programme announced and due to commence later in 2023.

Link to strategic priorities

1 Increase scale
2 Decrease undue complexity
3 Broaden our appeal to clients
4 Deepen relationships with all stakeholders

Relevant stakeholder group

Clients
People
Shareholders
Business partners and suppliers
Society
State and regulators

BOARD EFFECTIVENESS

Induction

A tailored induction programme is provided to all new Non-Executive Directors and is designed to provide a thorough understanding of the Group's strategy, business, operations, key stakeholders, governance structure and regulatory environment. During the year one Board induction programme was run for Suzy Neubert who joined the Board in March 2022. A summary of the induction programme can be found below.

SUZY NEUBERT'S INDUCTION

Upon joining the Board Suzy was provided with a comprehensive induction which included a series of meetings with key stakeholders, as summarised here. Due to the nature of the business, specific site visits are not necessary and all meetings are undertaken at the Group's headquarters in London.

In addition to previous Board and Committee minutes and packs, a tailored induction pack was provided to Suzy. This included an overview from each key business area, financial plans and budgets, organisational and structural charts, the risk appetite statement and the ERMF, overview of the firm's top shareholders and their views, the Group's remuneration polices and various governance related documents.

Meeting
Chair
Chair of the Remuneration Committee and SID
Chair of the Audit and Risk Committee
Chief Executive Officer
Chief Financial Officer
Chief Operating Officer
Head of and Deputy Head of Distribution
HR Director
Head of Internal Audit
Chief Investment Officer
General Counsel (GC) and Company Secretary
Chief Risk Officer
Head of Strategy and Corporate Development

Key topics for discussion

Stakeholder's views of Jupiter, the firm's culture, recent key decisions and strategic priorities for the Board.
An overview of the Group's remuneration policies and structures, recent decisions and actions of the Remuneration Committee and key areas of focus for the Committee looking forward.
An overview of the Group's ERMF and three lines of defence operating model. Recent decisions and actions of the Audit and Risk Committee and key areas of focus for the Committee looking forward.
The Group's culture, strategy, stakeholder views and recent and future business developments.
The Group's financial performance, financial plans, investor relations and recent developments across the CFO's areas of responsibility at the time.
The Group's operating model and recent business developments and key priorities for the division.
An overview of the Group's distribution footprint, teams, key clients and their views, and the recent flow picture.
Jupiter's culture, remuneration structures, employee policies and initiatives to drive improvements in DE&I and learning and development initiatives across the business.
Overview of the team and the culture across Jupiter, the progress on the internal audit plan and recent audit findings together with a summary of outstanding management actions.
An overview of each of the Group's investment strategies and potential development thereof.
Overview of the GC's role and teams including the Irish and Luxembourg offices, the group structure, governance framework, Board processes, AGM and major shareholders, including their views on governance.
Overview of the risk and compliance function, the ERMF and risk appetite statement. Key recent projects and issues and an overview of the compliance monitoring plan.
Group's strategy and progress towards the strategic objectives, including recent business developments and projects.

CEO Transition

Matthew Beesley joined Jupiter in January 2022 as the Group's CIO and a member of the Executive Committee. During his time as CIO, Matthew developed a deep understanding of the business, our people and other key stakeholders.

A handover in accordance with the FCA's SMCR requirements progressed smoothly and a support framework has been built for Matthew, facilitated by a third party, Russell Reynolds, who also advised on the succession plan. Matthew has met with staff, key clients and business partners in a number of different jurisdictions. He has engaged with and sought views from our major shareholders and holds regular meetings with all Board members.

Training

Directors receive training and education through external courses and also through the Board briefing sessions held before each meeting. The briefing sessions include a mix of internal and external experts and, during 2022, the following sessions have been held:

- Presentation from a FinTech/disruptor CEO
- Presentations from our investment managers on their funds and market developments
- An overview of the FCA's new Consumer Duty
- The new ICARA process and industry practice from external advisors
- Industry views from investment consultants
- Corporate brokers on the industry, key trends, shareholders views and defence
- Presentation from investment consultants

All Directors have access to the services of the Company Secretary, who advises the Board on governance matters, and the Board is able to obtain independent advice, at the Company's expense, where this is necessary to discharge their duties effectively.

BOARD EVALUATION

In line with the provisions of the Code, the Board undertakes an annual evaluation every year and every third year this is facilitated by an external evaluator; this year's Board evaluation was undertaken internally. The Board approved the use of the BoardClic evaluation system which contains fully customisable best practice questionnaires and also enables benchmarking against other firms within the same market. The diagram below provides details of the process followed for the 2022 evaluation.

Design

- The Company Secretary tailored the evaluation questionnaires, within the BoardClic system, for the Board, its Committees and individual Directors, which were then agreed by the relevant Chairs. The questionnaires are based on best practice and were tailored to include:
  - Specific questions on projects undertaken during the year, to evaluate the effectiveness of Board decision making and management of the projects, and to identify areas where improvements could be made going forward.
  - Actions arising from previous evaluations.
  - Lessons learnt throughout the year.
  - Directors' views on how we can improve Board effectiveness and the key areas of focus for 2023.

Responses

- Each Director was requested to complete the questionnaires for the Board, a peer review and, if appropriate each Board Committee they attended.
- In addition to scoring the Board on a scale of 1-7, Directors were asked to prioritise three questions from each section to help draw out the most important areas of focus.
- A number of free text questions were asked throughout the evaluation which required Directors to include details of their views and suggestions for improvement, which helps to provide more comprehensive feedback.

Review

- The BoardClic system generates reports on a completely unattributed basis and these were reviewed with the Chair.
- The full reports and summaries thereof, including potential actions to address the items raised within the evaluation process, were prepared and circulated to each Board/Committee as appropriate.

Reporting

- Reports on the outcome of the Board and Committee evaluations were discussed at the respective Board and Committee meetings in December. Areas of improvement and focus were agreed.

1-2-1 meetings

- The Chair met with Directors individually to discuss the evaluation and their individual contribution and performance. The SID met with the Chair to discuss her performance.

2021 priorities	2022 status
Ensure rolling agendas have sufficient flexibility and that the objective and required outcome of the agenda item is clear.	• There has been much more flexibility in the rolling agendas to allow sufficient time to address a number of business imperative issues and projects which have arisen during the year. • The executive summary details the output required from the Board.
Update investment manager presentations to include further information on the fund's business plan and required resources.	• Presentations have been drafted from a more strategic viewpoint with a focus on how to grow the strategy and potential challenges and opportunities. • A new template for investment manager presentations has been developed to help drive a more strategic approach and ensure consistency of reporting.
Improve data being sent to the Board on client flows, peer and industry and risk management.	• Distribution have provided the Board with more in-depth reviews, market data and industry flows and there have been several deep-dive topics on various elements of Distribution. • There has been increased consideration of industry practice across peer firms. • Whilst there has been a number of improvements to the risk management framework, risk reporting continues to be an area of focus. The enhancements will be driven by the Group's new Head of Risk.
Ensure an appropriate delineation between Board briefings and meetings and increase the amount of external expertise brought into Board briefings/meetings.	• The first half of the year saw an improvement in both the delineation between Board briefings and meetings and increased external expertise as detailed on page 91. However, this progress decreased in the second half of the year, as there has been an increased use of Board briefings for business proposals and updates, as additional time has been required to address immediate business priorities throughout the year.
Review process for employment engagement.	• This was deferred due to the changes across the business but it is proposed that this be undertaken in 2023.

2022 evaluation conclusions

The evaluation process, as detailed on page 92, demonstrated that the Board had operated effectively during the year and had the requisite skills and experience to discharge its duties. The evaluation was split into a number of categories which are detailed below, together with a summary of key findings for each section.

Value creation and strategy: Areas identified as high priority by the Board, such as the quality of strategic discussions and contribution to strategy, scored strongly. Areas of interest were primarily related to value creation and innovation. Board members had a strong consensus on the Group's strategic priorities going forward but expressed wider ranging views on the key challenges.

Board, agenda and meetings: This area scored highly especially in areas such as the exploration of all Board members' views before decision making, quality and timeliness of papers and support provided to the Board. The evaluation identified the need for enhanced oversight of strategic execution, whilst the revised management and governance structures were embedded.

Talent and culture: The key area of interest identified related to the firm's ability to attract and retain talent, in light of the wider demand for talent and the macro environment. This was identified as a key priority for 2023. Areas such as understanding the implications of the reward packages for staff and alignment on core strategic priorities between management and the Board, were commended.

Board composition and dynamics: This area scored well and the Board agreed that the Board composition was appropriate in light of the size of the business with a good balance of independence.

Information reporting and risk management: Particularly commended was the engagement between Board meetings, with regular updates to the Board from the CEO and discussions with senior management. The key area of interest related to the monitoring of business risks in our operations, especially in light of the fast-pace of change in the macro environment.

Committees: All of the Board's Committees were considered to perform strongly and deliver against their terms of reference. There was positive feedback on the engagement and updates provided to the Board by each Committee Chair.

Performance (which requested assessment and feedback on a number of projects undertaken during the year): The Board provided positive feedback on the execution of specific projects during the year and the level of engagement and information provided on the development of each. The Board highlighted the importance of the pace of execution and ensuring an agile organisation.

The following areas were identified for further focus in 2023 to improve Board effectiveness:

- Build in additional CEO sessions with the Board prior to Board meetings.
- Enhanced oversight of strategic execution whilst the revised management and governance structures were embedded.
- Arrange sessions for Board members to share external experience, lessons learnt etc.
- Improve engagement with employees, both formal and informal and improve understanding of both employee views, but also employees' understanding of the role of the Board.

The following items were identified as key priorities for the Board during 2023:

- Culture and talent retention.
- Implementation of the target operating model and leveraging automation throughout the business, which would help to drive innovation.
- Continual focus on the product range and suitability for clients.
- Stakeholder views and brand development to deepen relationships with our stakeholders.
- Continued focus on the organisational structure, to reduce undue complexity and appropriately manage the cost base.

NOMINATION COMMITTEE REPORT

"We believe a diverse workforce leads to more innovation, better decision making and an enhanced ability to connect with our clients and other stakeholders."

NICHOLA PEASE
CHAIR

Committee members and regular attendees

During the year, the Committee held four meetings, three of these were scheduled meetings and one further meeting was convened in order to consider matters relating to Board appointments.

The Committee members also met informally and with other Directors to discuss changes within the business.

Meetings	Meetings attended
David Cruickshank	4/4
Dale Murray	4/4
Karl Sternberg	4/4
Nichola Pease	4/4
Polly Williams[1]	2/2
Roger Yates	4/4
Suzy Neubert[2]	3/3

1. Polly Williams stepped down from the Board and Committee on 11 May 2022.
2. Suzy Neubert was appointed to the Board and Committee on 1 March 2022.

All of the independent Non-Executive Directors are members of the Nomination Committee and the Chair of the Board also chairs the Nomination Committee, except where their succession is being considered. The CEO and HR Director are invited to attend Committee meetings where appropriate and to facilitate informed debate.

Committee's key responsibilities

- Keep the composition of the Board and its Committees under review to ensure a correct balance of skills, knowledge, experience and diversity is in place.
- Lead the search and selection process for new Board appointments, including identifying the skills and experience required.
- Oversee succession planning for Directors and Senior Executives.
- Review the Company's policies and practices for talent management, development and diversity.
- Consider each Director's performance and continuing contribution, including the review of their external time commitments and, when appropriate, recommending their re-election to shareholders.
- Consider and, if appropriate, approve potential additional external appointments and conflicts of interest.

A full copy of the Committee's terms of reference, which are reviewed by the Committee and approved by the Board on an annual basis, can be found at www.jupiteram.com.

Dear Stakeholder

Board changes

One of the most important roles of the Board is to appoint and oversee the Group's CEO. This year the Committee, and the Board, have overseen and executed the succession plans for this key role. In June, we announced that Andrew Formica was to retire from his role as CEO and step down from the Board effective 1 October 2022, to be replaced with the Group's CIO Matthew Beesley. Matthew joined the Board on 28 June 2022 and was appointed Group CEO effective 1 October 2022.

The Committee oversees succession planning for Board and senior management roles and keeps under review both internal and external candidates for Board leadership roles. Russell Reynolds ('RR') had been engaged to assist in longer-term succession planning for the CEO role and, as part of this, had undertaken an extensive review of the market, together with an assessment of both internal and external candidates. The Committee has been strengthening the pipeline of internal talent, which included the appointment of Matthew as CIO from January 2022, to help with succession planning across the organisation. Matthew made a significant impact across the business in this role and brought a huge amount of energy, leadership skills, strategic insights and an unwavering focus on client outcomes. His understanding of the business and vision for the future made it clear he was the right person to succeed the CEO role, which was agreed by the Board. RR has also been engaged to provide CEO transition and coaching services, as part of the succession planning, but have no further connections with the Company. RR are a signatory to the voluntary code of conduct for executive search firms. We are delighted with Matthew's appointment and his strong start to the role.

As discussed in last year's report, Suzy Neubert was appointed as a Non-Executive Director with effect from 1 March 2022 and details of her induction programme can be found on pages 90 to 91. Polly Williams, who had served as a Director for eight years, stepped down from the Board at the conclusion of the 2022 AGM. There have been no further Board changes during the year. Chris Parkin will not be seeking re-election at the 2023 AGM and will step down from the Board at the conclusion of the meeting.

Senior management

Since Matthew's appointment, the Non-Executive Directors met with the CEO on a number of occasions to discuss changes to the composition of the Executive Committee and senior leadership across the organisation. It was agreed that the composition of the Executive Committee be reduced to the CEO, CFO, COO and Global Head of Distribution. In addition, the SMT was established, comprising 16 senior executives, including members of the Executive Committee, from key areas of the business. The role of the SMT is to support the Executive Committee in the effective and efficient execution of the Group's strategy.

Diversity, Equity and Inclusion

At Jupiter we pride ourselves on having an inclusive culture and we consider diversity in its widest sense including gender, ethnicity, disability, sexuality, background and experiences. We believe a diverse workforce leads to more innovation, better decision making and an enhanced ability to connect with our clients and other stakeholders. We are committed to promoting diversity, equity and inclusion and we have overseen initiatives to improve diversity across the organisation and ensure we have an inclusive culture for all of our employees. We recognise that diversity across Jupiter, and indeed the industry, needs to be improved and we are taking action to drive progress in this key area. During the year we have strengthened and enhanced co-ordination between our employee network groups, introduced new policies to enhance our offering to a more diverse workforce and have worked with partners to help improve diversity both within Jupiter and across the industry. This includes partnerships with Investment20/20, Return Hub and Arrival Education.

Board diversity

This year we have chosen to report our diversity in accordance with the new listing rule requirements, which are applicable from the next annual reporting cycle. Our diversity disclosure tables can be found on pages 60 and 61 and the Board's diversity policy can be found within the box below.

The new listing rule requirements detail three targets for the Board; that 40% of the individuals on the Board are women; that at least one senior Board position is held by a woman and that at least one individual on the Board is from a minority ethnic background. As at 31 December 2022 we have achieved two of the three targets, however currently 33% of Jupiter's Board is comprised of women, which is below the 40% target. This will increase to 37.5% when Chris Parkin steps down from the Board in May.

This report provides an overview of the current Board composition and provides insights into the work of the Committee during the year, together with a summary of the Committee's evaluation.

NICHOLA PEASE
Chair of the Nomination Committee

BOARD DIVERSITY

Policy statement

A culture which is inclusive and supports diversity is essential to the long-term success of our business and better enables us to respond to our stakeholder needs. We understand that a diverse Board brings a broad range of perspectives, insights and challenge which supports sound decision making. The Board sets the tone for inclusion and diversity across the business and we believe in having a diverse leadership team and an open and inclusive culture.

We believe a truly diverse Board will include and make good use of differences in the skills, experience, background, race, gender, disability, sexuality and other distinctions between Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. All Board appointments are made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective.

Implementation

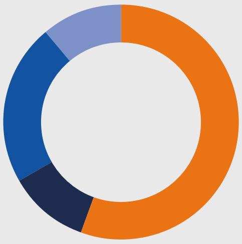
In reviewing Board composition, the Nomination Committee will consider the benefits of all aspects of diversity in order to enable the Board to discharge its duties and responsibilities effectively.

In identifying suitable candidates for appointment to the Board, the Committee will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.

As part of the annual performance evaluation of the effectiveness of the Board, Board Committees and individual Directors, the Board will consider the balance of skills, experience and independence and the diversity representation of the Board, how the Board works together as a unit, and other factors relevant to its effectiveness.

BOARD COMPOSITION AS AT 31 DECEMBER 2022

Independence



Independent Non-Executive Directors	5
Non-Executive Directors	1
Executive Directors	2
Chair	1

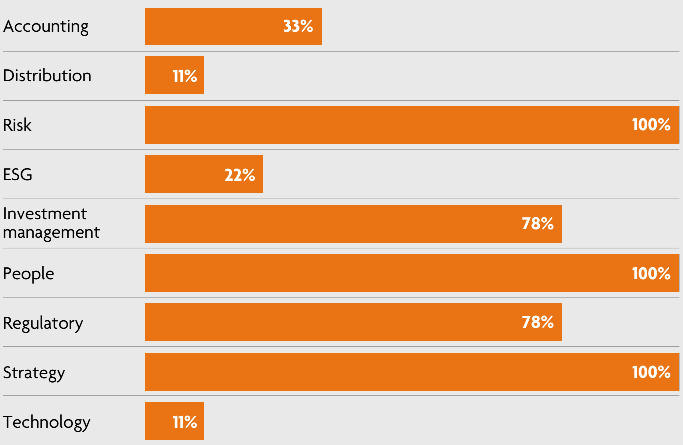
Gender

Female	3
Male	6

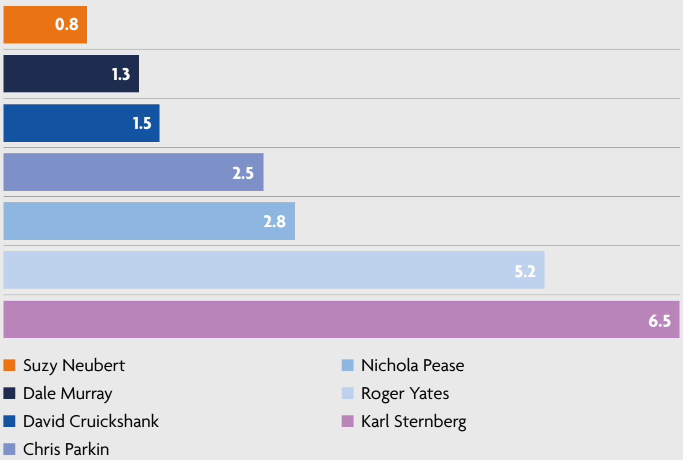
Ethnicity

Mixed ethnicity	1
White British	8

Board experience



Chair and Non-Executive tenure



EXECUTIVE COMMITTEE COMPOSITION AS AT 31 DECEMBER 2022

Gender

Female	1
Male	3

Ethnicity

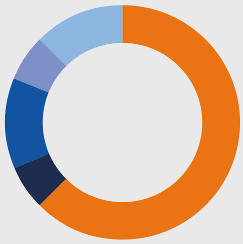
White British	4

SMT COMPOSITION AS AT 31 DECEMBER 2022

Gender

Female	5
Male	11

Ethnicity



White British	10
White Other	1
Asian/Asian British	2
Mixed/Multiple Ethnic Groups	1
Prefer not to say	2

Key activities during the year

- Worked with the wider Board, where appropriate, to execute on the Group's succession plans for the CEO role.
- Reviewed succession plans for investment management teams and senior managers across the business, including a comprehensive talent mapping exercise.
- Reviewed the Board skills, experience and knowledge, and assessed the composition of the Board and its Committees.
- Assessed the contribution, independence and performance of Directors and recommended to shareholders their election or re-election to the Board.
- Engaged with the newly appointed CEO on proposed changes to the Executive Committee and creation of the SMT.

Board and Committee composition

The Committee reviewed the composition of the Board and its Committees during the year, focusing on the skills, experience and diversity of the Directors and taking into account all relevant governance requirements, best practice and the views of shareholders. The Committee considered the skills matrix and sought input from the newly appointed CEO, to establish if there were any further skills he would like to be able to leverage at a Board level. It was agreed that the size, composition and skills of the Board and its Committees was appropriate for the business, however any future Board recruitment processes should consider the need to broaden the Board's technology expertise.

Succession planning

There have been a number of enhancements to the succession planning process, with improved talent mapping across all levels of the business. This has helped the Committee develop a better understanding of the depth of the firm's talent and to better target learning, development and retention tools, to ensure a suitable breadth and depth of talent across the organisation. Due to the recent organisational changes, updated succession plans will be a key item for the Committee's consideration in 2023.

Directors' external commitments

A schedule of Directors' external appointments, which includes details of the time commitments to those roles, is reviewed by the Committee to ensure all Directors can commit sufficient time to their duties. This includes consideration of the need for Directors to have sufficient capacity to be able to address non-standard business situations arising in different roles at the same time, which could increase the time requirements of the Director. Any significant new appointments are required to be approved by the Committee. The Committee is satisfied that all Directors have sufficient time to dedicate to their duties and have clearly demonstrated this throughout the year.

Director re-election

In line with governance requirements and the Company's Articles of Association, all Directors stand for annual re-election at the Company's AGM. Each Director's performance, including the results of the annual Board evaluation, and independence is considered by the Committee, who recommend to the Board their re-election. In addition, a more detailed review of each Director's performance, contribution and independence is undertaken when they are considered for re-appointment after serving three and six-year terms.

This year the Committee also considered the results of the AGM where the votes for the re-election of Dale Murray and Roger Yates, were just under 80% in favour. The results were driven by our major shareholder, who has stringent policies on the number of external mandates a Director holds, which are beyond those of the leading proxy advisor guidelines. Both Directors had 100% attendance records, were fully prepared for all Board meetings, were very responsive to Jupiter business and, outside of Board meetings, regularly engage with people across the firm. The Committee also reviewed each Director's external mandates and the time commitments for each role. It was noted that Roger Yates will be stepping down as a Director of St. James's Place plc, where he also chairs the Remuneration Committee, during the course of 2023. The Committee also noted that of Dale Murray's three other listed Company mandates, two are listed overseas with differing year-end dates to Jupiter's and therefore have very different Board meeting and financial reporting annual cycles. This means that these key periods of activity for Directors are spread more evenly across the year in Dale's portfolio. The Committee recommended both Directors' re-election and confirmed that they continued to demonstrate their ability to dedicate sufficient time to their duties and to make very valuable contributions to the Board and the Company as a whole.

Conflicts of interest

The Company's Articles of Association permit the Board to consider and authorise situations where a Director has an actual or potential conflict of interest in relation to the Group. The Board has a formal system to record potential conflicts and, if appropriate, to authorise them. Conflicts of interest are included as a standing agenda item at each Board and Committee meeting. When authorising conflicts or potential conflicts of interest, the Director concerned may not take part in the decision making.

Committee evaluation

Details of the Board and Committee evaluation process can be found on page 92. The table below provides an update on the priorities identified in the Committee's 2021 evaluation and also a summary of the conclusions from the 2022 evaluation.

2021 priorities	2022 status
Succession planning at all levels and particular consideration to be given to developing a strong diverse pipeline of talent below the refreshed Executive Committee	• A number of enhancements have been made to talent mapping across the organisation, which has helped drive improvements in the succession planning process. • Due to changes in the Executive Committee and the creation of the SMT in the second half of 2022, this will be a focus of the Committee in 2023.
Keep under review Board and Executive Committee dynamics given the level of change across the organisation	• 2022 has seen further changes across the Board and Executive Committee and ongoing dynamics will continue to be monitored including with the newly created SMT.
Initiatives to improve diversity and inclusion across all levels of the organisation and industry	• This has been an area of focus, with a number of new initiatives and partnerships being launched during the year. Further information on which can be found in our people section from page 59. This will continue to be a key area of focus going forward to ensure initiatives deliver progress against our targets.

2022 evaluation conclusions

The evaluation highlighted that the Committee had operated effectively throughout the year and there were no areas of concern raised. The evaluation particularly commended the collaborative culture of the Committee and the CEO succession process. The following items were identified as priorities/actions for 2023:

- In light of the recent executive changes and introduction of the SMT, focus and further develop executive succession planning and develop a framework for both internal and external potential resources.
- Work with the Remuneration Committee to help ensure the retention of key employees.
- Build time into the meeting schedule for the Committee to reflect on its activities, key priorities and for members to share best practice/experiences.

AUDIT AND RISK COMMITTEE REPORT

"The Committee is responsible for the integrity of financial reporting and oversight of the risk management and internal control framework. It is a critical part of the firm's governance aimed at ensuring the protection of our Shareholders, clients and other stakeholders."

DAVID CRUICKSHANK
CHAIR OF THE AUDIT AND RISK COMMITTEE

Committee members and regular attendees

Meetings	Meetings attended
David Cruickshank (Chair)	8/8
Dale Murray	8/8
Karl Sternberg	7/8
Polly Williams (Chair)[1]	2/2

1. Polly Williams stepped down from the Audit and Risk Committee on 11 May 2022.

The Committee is comprised solely of independent Non-Executive Directors in accordance with the UK Corporate Governance Code. The Committee as a whole is considered to have the competence relevant to the asset management sector. Both David Cruickshank, the Chair, and Dale Murray are qualified accountants, and are considered to have recent and relevant financial experience. Karl Sternberg is also a member of the Remuneration Committee, which helps to ensure the identification of issues relevant to both Committees.

During the year, the Committee held eight meetings; five of these were scheduled and held at key times in the audit and financial reporting schedule. Three other meetings were specifically arranged to update the Committee on the approach to the new ICARA, review and approve the approach and allocation of responsibilities under the FCA's SMCR in respect to the Company's move from a Core Firm to an Enhanced Firm, and to receive updates on proposed enhancements to the ERMF and Internal Controls. Karl Sternberg was unable to attend one of the ad-hoc meetings but reviewed the papers and provided questions and comments in advance of the meeting.

Committee's key responsibilities

- Overseeing the Group's financial reporting processes, including reviewing significant financial reporting issues, judgements, statements and announcements concerning its financial performance.
- Assessing the material risks which could impact the Group's business model, future performance, liquidity and solvency.
- Reviewing and monitoring the effectiveness and adequacy of the risk management processes.
- Reviewing the Group's internal controls and risk management systems on an ongoing basis including the adequacy and effectiveness of the framework used to monitor the Group's significant outsourced relationships.
- Reviewing the Group's whistleblowing arrangements and ensuring the proportionate and independent investigation of any matters reported.
- Overseeing the appointment, performance, remuneration and independence of the external auditors, including the provision of non-audit services to the Group.
- Oversight of the performance of the Group's Internal Audit function and reviewing and approving the appointment of the Group's Head of Internal Audit and co-sourced Internal Audit partner.
- Oversight of regulatory and compliance matters across the Group.

A full copy of the Committee's terms of reference, which are reviewed by the Committee and approved by the Board on an annual basis, can be found at www.jupiteram.com.

Dear Stakeholder

I am pleased to present my first report as Chair of the Audit and Risk Committee on the activities of the Committee throughout 2022. Polly Williams stepped down as Chair of the Audit and Risk Committee at the conclusion of the 2022 AGM. I would like to take this opportunity to thank her for her support, both personally for the effective transition of the Committee Chair role and, on behalf of the Committee members and our shareholders, for her excellent stewardship throughout her role.

It has been a very busy year for the Committee, in addition to its core activities the Committee has had oversight of a number of projects and ad-hoc items arising throughout the year. The Committee has considered the worsening macro-economic backdrop, continued geopolitical challenges and inflationary concerns, and how this has impacted the risk profile of the Group. Following Russia's invasion of Ukraine, the Committee considered the impact on the Group's funds and the controls in place to protect clients. The Financial Crime team provided a report on actions taken to ensure compliance with the new Russian sanctions. The Committee also reviewed a report from the cyber security team, due to the increased risk of cyber-attacks by foreign nations and received an update following the cyber incident test undertaken in Q1 2022.

The Committee has continued to oversee the work of the Internal Audit function which moved to a co-sourced Internal Audit model at the start of 2022. The Committee is pleased with how the transition has progressed and the improvements driven by the new in-house team, who use BDO LLP as co-sourced providers, to help ensure sufficient depth and breadth of expertise.

As part of its core responsibilities, the Committee has oversight of the Group's Risk, Compliance and Internal Audit functions. During the year it was agreed to split the Risk and Compliance function into two separate functions which was undertaken in order to ensure appropriate expertise in each area, balance of leadership versus involvement in day-to-day activities and to enhance the robustness of the Group's three lines of defence. A new Head of Compliance has been appointed from the existing Compliance team and a new Head of Risk has been recruited and commenced her role in January 2023. Both report into the CFO. While the recruitment for a new Head of Risk was undertaken, the firm engaged KPMG to help support the risk function and provide best practice advice. A number of reviews were performed during the year by KPMG, as part of their support in transitioning to the new risk and compliance structure, as well as other parties. These reviews supplemented our normal internal audit and compliance monitoring activities and have enabled us to identify areas where controls can be enhanced, including the balance of activities between the first and second lines of defence, increasing automation and reporting. The Committee will work closely with Head of Risk and Head of Compliance as they commence their new roles and support them in driving further improvements across their respective functions.

We have developed our consideration of sustainability risks and the increasingly complex and divergent nature of sustainability requirements in different jurisdictions. The work of the Committee in this regard is considered further on page 110. As Chair of the Committee, I also sit on the Group's Sustainability Committee which provides me with a deeper understanding of the Group's approach in this key area.

As described in the Committee's report last year, a tender process for the external auditors was undertaken and the Committee recommended the appointment of EY to the Board. Subject to shareholder approval at the 2023 AGM, EY will be appointed as the Group's external auditors for the year ending 31 December 2023. The Committee has overseen the processes in place to ensure the independence of EY and the transition plans to the new audit firm. EY have been shadowing the current external auditors, PwC, for the 2022 year to ensure a comprehensive and seamless transition.

The Committee also oversaw the transition to the new ICARA from the FCA's previous Internal Capital Adequacy Assessment Process (ICAAP). The new requirements include additional focus on potential harm which could be caused to clients, the markets in which we operate, or the firm. The Committee received a briefing from the firm's advisors on the new requirements and the changes needed to ensure compliance with them. An additional Committee meeting was held in order to brief the Committee on the process undertaken and the draft ICARA document. The Committee provided challenge and input before the final ICARA was presented at the next meeting, for recommendation to the Board.

The Committee has oversight of our relationships with our regulators in various jurisdictions, ensuring we engage in an open and transparent manner. During the year, the Committee has overseen the Group's programme to move from a Core to an Enhanced firm, under the FCA's SMCR.

We have continued to oversee all elements of the Group's financial reporting and controls. During 2022 the FRC reviewed the Group's Annual Report and Accounts for the year ended 31 December 2021. We were pleased to receive a letter confirming that, following their review, there were no questions or queries to raise, whilst noting several matters to consider in preparation of this year's accounts as normal practice. Further information on this, including the limitations of the review, can be found on page 107.

Looking forward to the activities of the Committee over the remainder of this year and into the next, there are a number of additional items for the Committee's agenda. The fast pace of regulatory change is set to continue, with the introduction of the FCA's Consumer Duty and Sustainable Disclosure Requirements. In addition, following the government's 'Restoring Trust in Audit and Corporate Governance' consultation, a number of new requirements, which impact the Committee's work, are anticipated to be introduced.

I would like to thank the teams across Jupiter who have supported the Committee's work throughout the year; your dedication and integrity is critical to the Committee's work.

I hope to be able to meet with shareholders and discuss the Committee's activities, in-person, at the AGM on 10 May 2023.

DAVID CRUICKSHANK
Chair of the Audit and Risk Committee

Activity	Outcomes
Financial reporting	
Annual and interim reporting *See page 105 for further information.*	The Committee reviewed and approved the annual and interim reports and recommended them to the Board, which included ensuring there were effective financial controls operating across the Group to safeguard the integrity of the Group's financial reporting. The Committee reviewed and suggested changes to the annual and interim reports to ensure they provided a true and fair view of the Company's position and that they were fair, balanced and understandable.
Statement of viability and going concern *See page 107 for further information.*	The Committee considered, challenged and approved the Group's statement of viability and the preparation of the annual and interim accounts on a going concern basis. The Committee specifically focused on the uncertainty caused by the geopolitical environment and macro-economic picture.
Significant accounting judgements and estimates *See pages 105 and 106 for further information.*	The Committee reviewed, challenged and approved all significant accounting judgements and estimates for both the annual and interim reports. Before agreeing the accounting estimates and judgements, the Committee engaged with the external auditors to seek their view on these key items.
Alternative Performance Measures *See page 107 for further information.*	The Committee challenged and approved the use of APMs in the Annual Report and Accounts and interim financial statements and ensured that these were appropriate to provide users of the accounts with a clearer understanding of the Group's business. The Committee reviewed the disclosures to ensure that they were clear to the readers of the accounts.
ICARA Process	In April, the Committee held a dedicated meeting to consider and discuss operational risk scenarios, stress tests and wind-down scenarios and the implementation of the new ICARA along with the key changes from the 2021 ICAAP given the new requirements. The Committee reviewed and approved the Group's ICARA and wind-down plan and recommended its approval to the Board.
Risk	
ERMF and Control Environment	During the year, KPMG were engaged to provide support with an assessment of the Company's ERM framework and related matters and any proposed enhancements. The work focused on nine principal areas of risk comprising: • Risk Management Cycle • Risk Categorisation model • Risk Reporting • Integration with Compliance • Conduct Risk Framework • Conflicts of Interest Management • ERM Strategy and Risk Appetite • Risk Governance • Risk Management Policy Reviews were also performed to assess the control environment mainly within Investment Management and the oversight by the second lines of defence, as well as other control processes. These reviews identified specific opportunities to enhance the governance and control processes, including further mitigation of risk in trading activities, automation and in respect of ESG on the adoption of SFDR. The Committee has been fully involved in this review with a dedicated additional meeting being held in November to provide input and challenge to the proposed changes. As expected, the review identified a number of opportunities to improve efficiency in the control framework. The Committee will continue to monitor the implementation of the planned changes in 2023.
Material and emerging risks	The Committee discussed the material and emerging risks and considered potential impacts on the Group. In addition, they reviewed and approved the risk management disclosures in the annual and interim reports, which included the Top-Down Risk Assessment and suggested a number of changes to provide further clarity to readers of the accounts.

Activity	Outcomes
Risk continued	
Geopolitical considerations and risks	Following the invasion of Ukraine by Russia, the Committee considered the related geopolitical risks, sanctions and investment controls to ensure compliance and avoid sanctions breaches. The Committee also discussed appropriate actions to protect client interests and to mitigate risk.
Internal controls	The Committee reviewed the effectiveness of the internal control environment including consideration of risk incidents, the output from the risk and control self-assessment, compliance monitoring and internal audit findings. As a result of enhancements planned in the ERMF and control environment, including the separation of the Risk and Compliance functions, the Committee considered the impact of all reviews performed on the assessment of the control environment and the appropriateness of the lines of defence.
Risk reporting	The Committee receives a report at each meeting from the Head of Risk which provides an update on risk-related matters. This includes an assessment of the Group's risk profile, a detailed overview of any risk incidents or breaches and proposed remediation, and key priorities for the activities of the teams. The Committee requested follow-up reporting on a number of matters to ensure they were resolved satisfactorily.
ESG risk management	The Committee considered ESG-related risks arising from the Group's investment activities and how these are managed and overseen within the Governance framework.
Liquidity risk management	Ongoing monitoring of the Group's liquidity risk management processes and identification and escalation of issues.
Cyber risk and crisis management	The Committee received an update on a crisis management test, specifically a cyber incident which was undertaken by an independent third party. The test assessed Jupiter's cyber defences and the operational resilience of the Group in the event of a successful attack.
Operational Resilience	The Committee received an update on and discussed the proposed Important Business Services (those services that if disrupted, could cause intolerable harm to clients or the market) required to comply with the FCA's Policy Statement 21/3 on Operational Resilience in relation to the Group's move from a Core to an Enhanced SMCR firm (see page 111). The Committee also considered dependency mapping (i.e. underlying systems and processes) and impact tolerances.
Conduct risk	The Committee reviewed and approved the proposed Conduct Risk Dashboard as part of the work done to enhance oversight of conduct risk in line with the ERMF.
Supplier management policy and procedures	The Committee reviewed the proposed changes to the Group's supplier management policy and framework which has been enhanced to improve oversight of third-party suppliers on a risk-based approach.
Legal and litigation risks	The Committee received updates from the General Counsel on potential legal and litigation risks across the Group.
AAF report	The Committee oversaw the preparation of the Group's annual assurance report on internal controls which was audited by EY and approved the final report before it was sent to third parties.

Activity	Outcomes
Compliance	
Compliance reporting	The Committee receives a report at each meeting from the Head of Compliance which provides an update on compliance matters. This includes key priorities for the activities of the team, compliance monitoring findings and an update on any regulatory matters, engagement, or change. The Committee requested follow-up reporting on a number of matters to ensure they were resolved satisfactorily.
Compliance monitoring plan	The Committee reviewed and approved the Group's compliance monitoring plan, under which the compliance team review and test key areas of the firm's business as part of the second line of defence oversight.
Financial crime prevention	The Committee received an update from the Head of Financial Crime on the policies and procedures in place to manage money laundering and financial crime risks across the Group. It was noted that the framework and management of the risks were considered to be effective. The Committee suggested that a benchmarking exercise was undertaken to determine and ensure that Jupiter was meeting best practice in all jurisdictions.
Whistleblowing arrangements	The Committee reviewed the firm's whistleblowing policy and arrangements and found these to be effective and in line with best practice. The Chair of the Committee is the whistleblowing champion and ensures, should any reports be received, these are independently investigated and reported to Committee members.
Fraud deterrence policies and procedures	The Committee assessed the effectiveness of the policies and procedures in place to prevent fraud across the organisation, including measures designed to protect our clients. These were found to be effective for both the office and the working from home environments; however, the Committee highlighted the need to remain vigilant in light of the increasing sophistication of fraud cases.
Senior Managers and Certification Regime – Enhanced	During the year, the Committee received regular updates in relation to Jupiter's move from a Core firm to an Enhanced firm under SMCR by the end of 2022. The Committee reviewed the project plan and provided oversight on the progress of the transition to an Enhanced firm and ensured that there was sufficient resource for implementation and ongoing oversight.
External audit *Further information on page 107 to 109.*	
Auditor transition	During the year the Committee received updates from management, the existing external auditors (PwC) and the new external auditor (EY) on the transition from PwC to EY in 2023, subject to shareholder approval at the 2023 AGM.
External audit reporting	The Committee receives regular reporting from the external auditors on the external audit plan, progress thereon and any matters identified in the course of the audit.
External auditor effectiveness	The Committee reviewed the effectiveness of the external auditor, which included the results from the internal evaluation, as well as the FRC's Audit Quality Review (AQR) on PwC. Overall the reports showed that the external auditors were delivering an effective audit to the Group and its subsidiaries. Key areas for improvement related to communication, low visibility of PwC staff and the timings of subsidiary audits. The Committee also considered the FRC's AQR on EY as the proposed new external auditor and challenged EY on the actions to be taken in response to the findings.
Independence of external auditor	The Committee is responsible for maintaining policies and procedures to help ensure the independence of the external audit function. At each meeting the Committee considers the independence of the external auditors which includes approving non-audit related engagements and expenditure. The Committee is satisfied that the external auditor continues to be independent. The Committee also considered the independence of EY as incoming auditors, subject to shareholder approval at the 2023 AGM and oversaw the process to ensure EY were fully independent and all applicable requirements had been completed.
External audit fee	The Committee reviewed and challenged the proposed fees for the external audit of the Company and its subsidiaries. This year the external audit fee has increased by £180k which comprises mainly inflationary increases and specific scope changes including system changes and other non-recurring charges.
2023 audit strategy and initial observations	The Committee received updates from the incoming external auditor (EY) on the 2023 audit strategy and their initial observations.

Activity	Outcomes
Internal audit	
Further information on page 109.	
Internal audit reporting	At each meeting, the Committee receives a report from Internal Audit which provides an update on the internal audit plan, an overview of all internal audit reports issued during the period and an update on identified and outstanding management actions. The Committee agreed that regular reports be brought to the Committee on actions to address high-priority management actions.
Internal audit plan	The Committee reviews and approves the internal audit plan, which is considered in conjunction with the Compliance monitoring plan to ensure effective assurance reporting over all of the Group's operations, with appropriate focus on higher risk areas.
Internal audit effectiveness	A formal review of the effectiveness of the Internal Audit Function was undertaken during the year using the Chartered Institute of Internal Auditors (CIIA) External Quality Assessment. The Committee noted and agreed with the conclusion that overall, the Internal Audit function was compliant with the CIIA International Performance Standards and the proposal to schedule an external assessment of the Internal Audit function in 2024. The Committee noted the improved audit quality and effective working relationships built by the team since the move to a co-sourced model.
Internal audit charter	The Committee considered, reviewed and agreed that no changes were required to the Group's internal audit charter, which can be found on our website at www.jupiteram.com.
Other	
Client Money and Custody Asset Assurance (CASS) report	Each year the Group's independent auditors are required to undertake a CASS audit which reports on the Group's compliance with the FCA's Client Assets Sourcebook. The Committee reviewed and approved the CASS Report and will oversee the implementation of the control findings identified by PwC.
Consultation – Restoring Trust in Audit and Corporate Governance	The Committee monitored the response to the consultation and will continue to oversee implementation of potential new rules once introduced.
Tax strategy	The Committee reviewed and approved the Group Tax Strategy which includes details of how we manage the tax affairs and related risks to our business. A small number of enhancements were agreed to meet the Fair Tax Mark standard set by the Fair Tax Foundation, for which the Group received accreditation in November 2022.
Terms of Reference	The Committee reviewed its terms of reference to ensure they remained up to date and in accordance with best practice. A small number of minor amendments were approved, but these did not change the roles and responsibilities of the Committee. The Committee recommended them to the Board for approval.
Committee evaluation *Please see page 111 for further information.*	The Committee monitored the actions arising from the 2021 Committee evaluation and discussed the results of the 2022 Committee evaluation, including the agreed actions and areas of focus for the Committee during 2023.

Financial reporting

One of the core responsibilities of the Committee is to ensure the integrity of the Group's financial reporting, which includes overseeing the effectiveness of the financial control environment. Prior to recommending the year-end financial statements to the Board for approval, the Committee reviews the accounting policies adopted by the Group and considers the principal areas of financial statement risk and challenges management on areas of estimation and judgement. The significant judgement areas considered by the Committee are set out in the table below. In each case, the Committee concluded that the accounting treatment and disclosure in the financial statements were appropriate.

The Committee has also assessed the Annual Report and Accounts to ensure that, taken as a whole, it is fair, balanced and understandable and that it provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

Key areas of estimation and judgements

Share-based payments

Assessment of area of estimation and judgement	The most significant share-based payment accounting costs for the Group relate to Long-Term Incentive Plans (LTIP), Deferred Bonus Plans (DPB) and the DEO awards. The principal area of estimation relates to the probability of vesting of performance-based awards and an assessment was undertaken based on the business performance to date and the likelihood of improvements offsetting these factors in the remainder of the vesting periods. As a result of this assessment the probability of vesting was reduced, resulting in lower accounting charges for share-based payments.
Outcome	The Committee considered the status of the Group's outstanding DEO awards as at December 2022 and all remaining provisions have been released on the basis of a vesting assumption of 0%. In relation to the LTIPs due to vest in 2023 and 2024, a reduction in the vesting levels was agreed from 50% to 30%.

Impairment of goodwill and intangible assets

Assessment of area of estimation and judgement	The Group's total goodwill asset of £570.6m is not permitted to be amortised but is tested for impairment. As a result of the change in economic outlook since the 2021 year-end, impacting both global markets and Jupiter, additional work on scenario analysis and methodologies has been undertaken and a full impairment test was conducted which demonstrated that there is sufficient headroom available between the fair value of the goodwill asset and its carrying value and that the asset is not impaired. The Committee also considered additional disclosure as set out in note 11. The intangible asset arising from Merian was £75.0m at acquisition date. The asset is being amortised over a period of four years and was £28.0m at 31 December 2022. An assessment of whether there are any possible indicators of impairment has been undertaken, with consideration having been given to both internal and external factors which demonstrated that there were no compelling indicators of impairment.
Outcome	As a result of a reduction in headroom for impairment based on key assumptions regarding future profitability and discount rates, additional disclosures of the impact of changes to key assumptions were proposed and considered by the Committee. The Committee challenged the discount rate applied and potential developments in light of the macro environment and agreed with the Finance team's recommendation that no impairment of the Group's goodwill and intangible assets was required. The Committee agreed that management would continue to monitor this and requested that any issues are identified and escalated quickly.

Consolidation of seed investments

Assessment of area of estimation and judgement	In accordance with IFRS 10, the Group is required to consolidate any entities under the control of the Company. A number of factors are applied to identify the funds that require consolidation and there has been no change to the methodology applied in 2021.
Outcome	The Committee noted that two funds would be removed from the consolidation as they had been fully redeemed.

Significant accounting matters

Response to FRC letter

Summary of significant accounting item	In November, the FRC wrote to Jupiter's Chair with comments on the 2021 Annual Report and Accounts. The letter raised no questions or queries but did have some observations to enhance the disclosure in the 2022 Annual Report and Accounts in relation to APMs, cash flows and TCFD. See page 107 for further information.
Considerations	The Committee agreed that, where appropriate, the 2022 Report and Accounts should reflect the observations raised in the FRC letter.

Impact of Chrysalis holding on the Group's results

Summary of significant accounting item	The Group holds a significant number of shares in Chrysalis, which are held in its EBT and which act as an economic hedge of its compensation liabilities in respect of performance fees paid to investment managers, including employer national insurance and similar obligations.
Considerations	The Committee considered the principal accounting consequences of a decrease in the Chrysalis share price on the value of the investment in Chrysalis, held as an economic hedge for the deferred bonus award, which is marked to fair value through the income statement. The Committee also considered the partially offsetting reduction in the cost of the deferred bonus award, also reflecting this change in value of the obligation. The Committee considered the disclosure in the Annual Report and Accounts in respect of this item, given its materiality, including whether the acceleration of future charges due to accounting requirements was fairly presented.

Presentation of APMs

Summary of significant accounting item	The Committee considered the APMs used throughout the Annual Report and Accounts to ensure only appropriate APMs which enhanced the readers understanding of the underlying performance of the business were used. This year we have not used operating margin as an APM and instead this has been replaced with a cost to income ratio. In addition, we have added a total shareholder return APM. The 2021 Annual Report and Accounts were reviewed by the FRC (see page 107 for further information) and no issues were identified in relation to the disclosure of APMs, however the addition of the total shareholder return APM was a recommendation within the FRC's letter.
Considerations	The Committee considered the APMs used, their appropriateness and also reviewed and challenged the disclosure to ensure that the use of APMs was clear and balanced and in line with the observations of the FRC letter.

Disclosure of exceptional items

Summary of significant accounting item	The Committee reviewed management's proposals to include a number of items as exceptional items which are defined as 'items of income or expenditure that are significant in size and which are not expected to repeat over the short to medium term'. Exceptional items incurred in 2022 amounted to £19.6m and related to costs arising from the Merian acquisition.
Considerations	The Committee agreed that the above-mentioned items meet the definition of exceptional items, which was a view confirmed by the external auditors. The costs relating to the Merian acquisition, principally charges for acquisition related to DEO, LTIP and other awards and amortisation of intangible assets, would be classified as exceptional items until the costs were extinguished in 2023 and 2024. The Committee agreed that the costs for the redundancy programme in 2022 should not be treated as exceptional.

Going concern and statement of viability

The Directors are required under UK law and the UK Corporate Governance Code to conclude on the Group's ability to continue as a going concern and to include a statement of viability in the Group's Annual Report and Accounts respectively. They must satisfy themselves as to the Company's ability to continue as a going concern for a period of 12 months from the date of the approval of the financial statements. In addition, the Company is required to provide a statement of viability, which can be found on page 29, and which reports on the viability of the Company over a three-year period.

The Committee supports the Board in its assessment of going concern and ongoing viability by considering and reviewing a number of factors such as the current financial position, budget and cash flow forecasts, liquidity, contingent liabilities and unfavourable market scenarios, versus the Group's core forecasts, the Group's ICARA and wind-down plan, and risks to the Group's operations or balance sheet position.

The Committee considered and assessed the Company's viability under a combination of severe stress scenarios including the impact of multiple risks occurring concurrently and the impact on the Group's liquidity and capital surplus.

The Committee recommended to the Board that it was appropriate for the Group to adopt the going concern basis of accounting in preparing the half-year and annual financial statements for the year ended 31 December 2022 and that the Company would remain commercially viable over a three-year period.

Fair, balanced and understandable

The Committee assessed whether, taken as a whole, the 2022 Annual Report and Accounts was fair, balanced and understandable and provided the information necessary to assess the Company's position and performance, business model and strategy.

To assist with the Committee's assessment as to whether the Annual Report and Accounts is fair, balanced and understandable, the Committee receives and discusses papers from management outlining changes in the application of any accounting policies together with material estimates and judgements.

The full Board received an early draft of the Annual Report in January. The Committee then received and reviewed a further draft at its February meeting and considered whether the performance and position of the Group had been described in a true, fair and balanced way. The Committee believes that the tone and content accurately reflect the performance of the business, while also providing relevant information for users.

The Committee's attention was given to the disclosure in respect of the use of APMs (see below for further detail) to ensure that the disclosure in respect of APMs was clear and transparent.

Following its review, the Committee was of the opinion that the 2022 Annual Report and Accounts was representative of the year and presents a fair, balanced and understandable overview. The Committee was also of the opinion that the Annual Report and Accounts provides a true representation to shareholders of the Company's position and performance, business model and strategy.

Alternative Performance Measures

The Committee reviewed the approach proposed by the Finance team for disclosure of APMs specifically around the presentation of exceptional items and performance fees in the Group's income statement. Exceptional items are defined as items of income or expenditure that are significant in size and which are not expected to repeat over the short to medium term.

Such items were separately presented to enable a better understanding of the Group's ongoing financial performance.

The exceptional items for the 2022 financial year are largely consistent with those disclosed in 2021 and relate to costs arising from the Merian acquisition in 2020, that are required to be recognised over multiple accounting periods. The restructuring costs included within exceptional items in 2021 did not recur as exceptional items in 2022. The Committee reviewed and challenged the costs proposed by management as exceptional items for the period and agreed that they met the principles for treatment as exceptional items, which was also agreed by the Group's external auditors.

The Committee considered the presentation of APMs in the 2022 Annual Report and Accounts and changes this year, including the change to a cost: income ratio and the addition of a total shareholder return APM. It was confirmed these were in line with ESMA's guidelines on APMs as noted in the FRC letter. The Committee concluded that the use and disclosure of APMs in the Annual Report and Accounts was appropriate, and that the definitions and explanations were clear.

FRC letter

The FRC undertook a review of the Group's Annual Report and Accounts for the year ended 31 December 2021 and confirmed that there were no questions or queries following their review. The review had identified a number of matters where users of the accounts may benefit from enhancements to the disclosures, which the FRC recommended were considered in the preparation of the Annual Report and Accounts for the year ended 31 December 2022. It should be noted that the review of the 2021 Annual Report and Accounts by the FRC does not provide any additional assurance that the Annual Report and Accounts are correct in all material respects; the FRC's role is not to verify the information provided but to consider compliance with reporting requirements and that the FRC does not accept any liability in relation to its review.

External audit

PwC served as the Group's external auditors during the year. PwC was first appointed as external auditor in 2007 and their reappointment as the Company's external auditor was confirmed following a formal external audit tender process in 2014. Colleen Local was appointed as lead audit partner in January 2020.

The Company is in compliance with the requirements of the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 and the Corporate Governance Code. During 2021, the Company commenced and completed an Audit Tender Process which was overseen by the Committee and was reported on last year. The tender was conducted in accordance with the FRC's Best Practice Guide to Audit Tendering. In line with requirements, the Company intends to undertake a further competitive audit tender no later than 2031.

The Committee met with representatives from PwC, without management present, to ensure that there were no issues that needed to be brought to the attention of the Committee.

An overview of the timeline for the audit tender process is detailed below:

Q2 2021	The Committee approved the Audit Tender Plan, including the selection of firms to involve.
Q3 2021	Audit tender process commenced.
Q4 2021	The Committee selected EY for recommendation to the Board, who agreed with the recommendation, which was then announced to the market.
2022	EY have ensured their independence and have shadowed PwC's audit of the 2022 Annual Report and Accounts.
2023 AGM	EY will be recommended to shareholders at the AGM and subject to such approval will be appointed in respect of the year ended 31 December 2023.

External audit transition

In December 2021, the Committee agreed that EY would provide the most robust and effective audit and was the best fit for Jupiter's business. The Committee recommended to the Board that EY be appointed as external auditor with effect from the year ending 31 December 2023, subject to shareholder approval at the 2023 AGM.

Throughout 2022, the Committee received regular updates on the transition and independence of EY as the proposed external auditor. As part of the transition plan, EY has shadowed the 2022 audit undertaken by PwC and have attended all recent Committee meetings. At the Committee meeting in December, the Committee considered EY's proposed 2023 audit strategy which set out areas of focus for the year ending 31 December 2023. EY also presented their initial observations.

EY also attended scheduled workshops and meetings with Finance, Tax, Compliance, Risk, General Counsel, Governance and Secretariat, Internal Audit, Human Resources, Technology and Operations and met with each member of the Committee individually.

External audit effectiveness

In May, the Committee conducted a formal evaluation of the independence and effectiveness of PwC as the Company's external auditors.

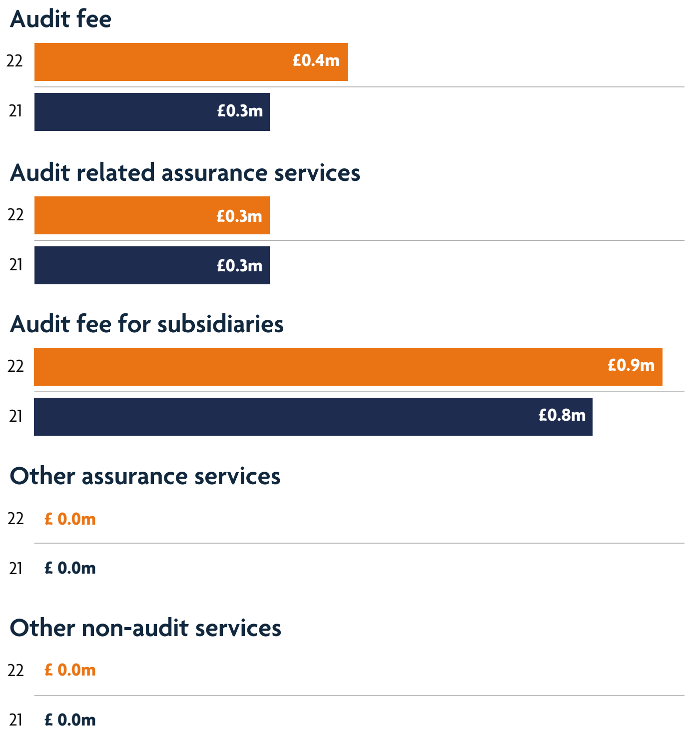
The evaluation was fulfilled by means of a questionnaire completed by key internal stakeholders, in accordance with the FRC's guidance on assessing audit quality. This included an assessment of all services provided by PwC and enabled the Committee to assess and discuss with relevant parties (including the auditors) the key messages and themes emerging from the evaluation. Four criteria were used to assess audit quality; mindset and culture; skills, character and knowledge; quality control; and judgement.

Overall, PwC was found to have performed effectively during the audit and to have upheld excellent standards in respect of reputation, integrity and judgement.

Although there was a good level of satisfaction in relation to the 2021 audit, a small number of issues were identified. Overall, the evaluation indicated that there had been an improvement to the scores from the previous year. The issues identified primarily related to the audit of the subsidiary entities and changes within the team not always being communicated effectively. Feedback was provided to PwC and the Committee had challenged PwC to ensure an efficient timetable was in place and delivered on for the 2022 year-end.

The Committee also reviewed the FRC's Audit Quality Review (AQR) on both PwC and EY. PwC's scores had improved from previous years with 80% of audits reviewed having performed to a good standard. The Committee considered the results of the AQR for EY. Whilst EY had no audits identified for significant improvements the percentage of audits achieving good standard decreased from 79% to 65%. The ICAEW's Quality Assurance Department (QAD) on EY found 100% of the audits tested were categorised as good/generally acceptable. The Committee challenged EY's plans to improve audit quality and the audit plan for Jupiter to ensure the delivery of a high-quality audit. In addition, for the first time a summary of the QAD of the ICAEW report was included in the AQR on PwC. The QAD report concluded that the firm's audit work was of a good standard (2019: good standard).

External audit fees (£m)



Non-audit services

Services classified as non-audit services, as above, include the review of the interim results, CASS audit, and overseas regulatory audits.

To safeguard the external auditors' objectivity and independence the Committee has a non-audit services policy, which sets out the procedure for the provision of any non-audit services by the external auditors to any entity within the Group. The policy requires all non-audit services to be approved by the Committee, which can be facilitated by the Committee Chair should such approval be required in between Committee meetings.

At each Committee meeting the non-audit spend of the Group is reviewed and an assessment made of the independence of the external auditors.

The FRC's rules in relation to the provision of non-audit services, whereby the proportion of non-audit service fees that can be incurred in a year is limited by reference to the average audit fee over a rolling three-year period. The rules prohibit non-audit services fees from exceeding 70% over both UK standalone and total Group bases. The Committee has also implemented a lower internal threshold and monitors this at each meeting. The Company is compliant with all relevant requirements.

External auditor oversight conclusion

The Committee concluded that PwC is effective, undertakes the audit with integrity and sufficient challenge and remains independent. PwC will step down at the conclusion of the 2023 AGM following the external audit tender undertaken last year.

Internal audit

The transition to a co-sourced internal audit model has progressed very well and the Committee has been pleased to see the anticipated benefits delivered.

The Committee reviews the internal audit plan at each meeting to ensure that it remains relevant for new and emerging circumstances. A total of 12 internal audits were completed during 2022 for Jupiter Fund Management plc which included a focus on governance, internal controls, conflicts of interest, technology resiliency, conduct, supplier management framework and performance fees.

In addition, four internal audits were undertaken during 2022 in respect of Jupiter Asset Management (Europe) Limited (Ireland) and six were undertaken for Jupiter Asset Management International S.A. (Luxembourg).

Effectiveness of the internal audit function

In line with the approach taken for the external auditors, the Committee monitors the fees paid to BDO LLP for services outside of internal audit, to ensure their objectivity and independence.

In July, the Committee conducted a formal evaluation of the effectiveness of the Internal Audit function. This was performed using the CIIA External Quality Assessment checklist which consists of three areas: code of ethics, attribute standards and performance standards and includes an assessment of all services provided by the Internal Audit function. This enabled the Committee to assess and discuss the key messages and themes emerging from the evaluation.

Overall, the Internal Audit function was found to generally conform in each of the three areas. Out of 56 requirements across the three areas, only five partially conformed and there were no requirements with which the Internal Audit Function had not conformed.

The Committee concluded that it is satisfied that the quality, experience and expertise of the Internal Audit function and that it remains appropriate for the business, and noted improvements delivered by the team.

Enhanced risk management

At a dedicated meeting in November, which was focused on enhancements to the ERMF and controls principally within Investment Management, the Committee considered a high-level implementation plan to drive further enhancements that built on the work undertaken in 2021.

The Committee reviewed and considered proposed enhancements to the conduct risk framework, conflicts of interest, risk governance, policies and procedures and the Risk and Control Self-Assessment, as well as other aspects of our control environment.

Monitoring of the Group's risk management environment

In the second half of the year, following a detailed review of the Risk and Compliance functions, the business moved away from an integrated Risk and Compliance team. Individual heads have been appointed for Risk and Compliance. We have implemented these changes to ensure appropriate specialist expertise within each function and increased involvement of department heads in the application of risk and compliance processes, leading to a strengthened second line of defence.

During the year, the Committee received regular management reports from the Compliance and Risk functions on:

- The profile of our Strategic, Operational, Capital Adequacy, Liquidity, Credit and Counterparty, and Market Risks.
- Adherence to the Group's Risk Appetite and any breaches of risk appetite metrics.
- The profile of transversal risks such as Conduct and ESG risks.
- Cyber, Technology and Information Security and Regulatory risk (including SFDR and our SEC registration in the US).
- Changes to key regulations and how these will impact the Group.
- Details of planned Compliance assurance reviews and any material findings and themes.
- Review and approval of the Group's AAF.

The Committee reviewed the Group's ICARA and recommended its approval to the Board. In its review of the Group's ICARA, the Committee assessed and challenged:

- Management's methodology and approach.
- Operational risk scenarios, assumptions and quantification.
- Capital and liquidity stress testing.
- The Group's proposed wind-down plan.

Monitoring of the Group's internal control environment

During the year the Committee:

- Evaluated and monitored material control issues identified by management through regular reports from the Risk and Compliance functions.
- Considered reports from the second line of defence on the oversight of operational risk controls.
- Reviewed processes for financial crime prevention and deterrence of fraud.
- Considered, overall, that Jupiter had adequate and proportionate anti-money laundering and financial crime prevention systems and controls which are consistent with Jupiter's regulators in the UK, Ireland, Luxembourg and the US. Additional resource was recruited in 2021 in Luxembourg to assist the Compliance Conducting Officer with financial crime prevention and other compliance matters.
- Received a report from the Chair of the Committee, as the Whistleblowing Champion, and a review of the whistleblowing procedures.
- Reviewed reports from the third line of defence on the maturity of the internal control environment.
- Conducted an annual and interim review of the effectiveness of Jupiter's system of risk management and internal control which includes financial, operational and regulatory compliance controls.
- Considered and approved proposed enhancements to the ERMF.
- Received assurance on the control environment through a combination of Internal Audit and Compliance Monitoring reviews.

The Committee's review of the internal control framework concluded that the internal control framework was operating satisfactorily and that there were satisfactory processes in place to ensure appropriate financial and regulatory reporting controls, including over the enlarged Group. The Committee therefore recommended to the Board that the Group's financial and regulatory reporting controls were operating satisfactorily.

The Committee also focused on specific control observations and recommendations and received reports and considered recommendations to strengthen the investment management process, compliance activities (particularly in respect of monitoring) and other controls. As a result of the action taken by management and through ongoing development of risk management, compliance and the assessments performed by Internal Audit, the Committee was satisfied with the overall adequacy of the lines of defence as described on page 101. The Committee will continue to oversee the implementation of any enhancements to the ERMF and proposed enhancements to controls.

Sustainability

SFDR is EU regulation which introduces enhanced and harmonised sustainability-related disclosures to investors in EU domiciled funds to support informed investment decisions.

In February, the Committee considered the key ESG developments and the regulatory initiatives to ensure that Jupiter successfully implemented the changes brought in by SFDR. The Committee also considered:

- An internal framework to inform baseline expectations for Article 8 and Article 9 funds.
- Fundamental environmental and social characteristics which must be promoted in Jupiter's ESG funds.
- ESG oversight and governance.
- The EU Sustainable Finance Disclosure Regulation, potential UK requirements and future developments.
- Ongoing investment and thematic monitoring.

SMCR – Enhanced firm

In May, and also at a dedicated meeting in September, the Committee considered a proposal for Jupiter to move from an FCA Core firm to an Enhanced firm given the increasing size and complexity of the firm.

The Committee considered and approved the proposed project plan and approach and the change became effective at the end of the year in line with the project plan.

During consideration, the Committee reviewed and challenged the key responsibilities, the certification and conduct rules framework and the governance structures to enable those responsibilities to be discharged effectively. The Committee also sought assurance that there was sufficient resource within Jupiter to ensure completion of the project and ongoing compliance.

Operational Resilience

We have continued to focus on our operational resilience to help protect our clients in the event of any disruption to our services or that of third parties. The move to an enhanced firm under SMCR has also resulted in additional regulatory requirements in this regard. The Committee considered and agreed the important business services, underlying systems and processes and impact tolerances.

Committee effectiveness

During the year, an internal evaluation of the Committee's effectiveness was undertaken, the process for which can be found on page 92. The table below provides an update on the priorities identified in the 2021 evaluation and also a summary of the conclusions from the 2022 evaluation.

2021 priorities	2022 status
Continued focus on improving papers and improve integrated assurance reporting aligned to new Internal Audit model and revised risk management framework.	• The establishment of a co-sourced Internal Audit model has resulted in improvements in the identification, escalation and reporting of issues. • Risk reporting recommendations from KPMG have been implemented during the year and integrated within developments identified by the new Head of Risk. This will continue to evolve as the new Head of Risk assesses reporting needs.
Ensure the new risk management framework is embedded across the organisation.	• There has been good progress on embedding the revised risk management framework and this will be a continual area of focus due to the transition to a new Head of Risk.
Improve reporting and consideration of strategic and emerging risks and continued focus on developing areas such as ESG and cyber risks.	• There has been a number of deep dives on ESG and cyber risk, together with relevant reporting from the control functions. • The Committee has met to consider a number of emerging risks arising throughout the year primarily due to the geopolitical and macro-economic factors.
Ensure the Committee is updated on new regulatory developments impacting the Committee's remit.	• The Committee has considered new regulatory developments throughout the year and has received technical briefings from advisors where appropriate.
Continued focus and testing of the Group's operational resilience.	• The Committee has received regular updates on the Group's operational resilience and how this is being rolled out in line with the SMCR enhanced requirements.

2022 evaluation conclusions

The evaluation process, as detailed on page 92, demonstrated that the Committee had operated effectively during the year and that there had been a smooth transition in the role of Chair of the Committee. The following items were identified as priorities/actions for 2023:

- Development of effective working relationships with the new Head of Risk and Head of Compliance, ensuring sufficient support is provided to the new incumbents whilst providing appropriate challenge.
- Consider ways in which the Committee can gain broader exposure to, and feedback from/on, the key areas of the business falling within the Committee's oversight.
- Enhance interaction with key operating subsidiary Boards.
- The Group's regulatory change and engagement programmes, including the implementation of Consumer Duty and SDR.
- Transition of the external auditors.
- The transition to the new Head of Risk and any developments to the risk and control environment.

REMUNERATION COMMITTEE REPORT

"It has been a challenging macro-economic environment and the recent market dynamics have impacted Jupiter's investment capabilities, which is reflected in the financial component of the balanced scorecard. Notwithstanding this, there has been significant success in relation to key strategic initiatives."

ROGER YATES
CHAIR OF THE REMUNERATION COMMITTEE

Committee members and regular attendees

During the year, the Committee held six meetings, five of these were scheduled meetings and one further meeting was convened in order to consider compensation matters.

Meetings	Meetings attended
Roger Yates (Chair)	6/6
Suzy Neubert[1]	4/4
Nichola Pease	6/6
Karl Sternberg	6/6

1. Suzy Neubert joined the Board on 1 March 2022.

The Committee comprises three independent Non-Executive Directors and the Chair of the Board who was independent on appointment in accordance with the UK Corporate Governance Code.

The CEO, CFO, Company Secretary, HR Director and Head of Reward are invited to attend Remuneration Committee meetings to contribute.

In addition, input is received from risk, compliance, internal audit and investment manangement leadership as required. No individual is present when their remuneration is being discussed.

Committee's key responsibilities

- Determining the overarching policy for the remuneration of the Group's employees, ensuring it is structured in a way that rewards individual and corporate performance and is aligned with appropriate risk, compliance and conduct standards and the long-term interests of shareholders, clients and other stakeholders.
- Determining the overall size of the annual variable compensation pool and the total compensation ratio.
- Determining and reviewing annually those individuals who may be considered to have a material impact on the risk profile of Jupiter, relevant subsidiaries and its funds (Material Risk Takers and Identified Staff) for the purposes of the relevant remuneration regulations.
- Determining the Chair of the Board's fees and the total individual remuneration packages of Executive Directors, Executive Committee members and individuals identified as Material Risk Takers.
- Approving the design of, determining the targets for, and monitoring the operation of, any performance-related pay schemes operated by the Group.
- Reviewing the design of all share incentive plans and deferred bonus arrangements for approval by the Board and, if applicable, shareholders.
- Overseeing any major changes in employee benefit structures throughout the Group.

A full copy of the Committee's terms of reference can be found at www.jupiteram.com.

Dear Stakeholder,

I am pleased to present our Directors' Remuneration Report (DRR) for 2022.

This 2022 DRR is divided into two sections:

- **Executive Remuneration at a Glance.** This sets out the key terms of the Directors' Remuneration Policy that was approved by shareholders at our 2021 AGM alongside a summary of how it will be implemented in 2023.
- **The Annual Report on Remuneration.** This outlines in detail how we implemented the Remuneration Policy in 2022 and how we intend to apply it in 2023. It is subject to an advisory vote by shareholders at the 2023 AGM.

Executive Director changes during 2022

We announced in June 2022 that Andrew Formica was to retire from his role as CEO with effect from 1 October 2022 and that he would be succeeded by Matthew Beesley, who was the Group's CIO.

In addressing the various remuneration-related issues associated with this change, the Remuneration Committee's guiding principle was to follow good governance practice. Full details are set out later in this Remuneration Report but the key decisions reached by the Committee are set out below.

Andrew Formica

Andrew's 12-month notice period started immediately upon announcement of his impending retirement. Although he will remain in Jupiter's employment until the end of his notice period in June 2023 in order to ensure a smooth leadership transition and to assist with a number of strategic objectives, he will not be entitled to an annual bonus in respect of the 2023 performance year and he will not be granted an LTIP award. During this period Andrew is supporting the Asian business and the development of our Australian market offering. In addition, while he remains employed with the Group, Andrew will remain on the Board of NZS Capital as Jupiter's representative.

In recognition of Andrew's contribution and leadership throughout a highly challenging period for the business, the Remuneration Committee agreed that he should remain entitled to a 2022 annual bonus and that he should be treated as a good leaver under the Deferred Bonus Plan (DBP) and LTIP with awards vesting on their normal vesting dates subject to any applicable performance and time pro-rating terms. Andrew remains subject to the post-employment shareholding guidelines set out in the Remuneration Policy for two years after stepping down from the Board.

Matthew Beesley

As part of the Board's ongoing succession planning process, Matthew Beesley joined Jupiter in January 2022 as CIO. Before joining Jupiter, Matthew was the CIO of Artemis Investment Management. He previously served as the Head of Investments and Head of Equities at GAM Investments and as Head of Global Equities at Henderson Global Investors. Prior to this, Matthew held a number of global equity portfolio manager roles.

Matthew was appointed to the Board and promoted to Deputy CEO in June 2022 with an annual salary of £300,000 and an annual bonus opportunity of up to 425% of salary. Upon formal appointment as CEO in October 2022, Matthew's reward package was aligned with that of his predecessor so as to comprise:

- Annual salary of £455,000, which will be subject to annual review from April 2024.
- Annual bonus opportunity up to a maximum of 425% of salary and LTIP opportunity up to a maximum of 375% of salary in accordance with the Remuneration Policy.
- Annual cash allowance in lieu of pension of 15% of salary in line with the rest of the UK workforce plus other standard benefits.

As set out in the announcement in June 2022, legacy payments including buy-out awards will continue to be paid subject to the terms and conditions agreed with Matthew when he joined the business as CIO. These legacy and buy-out awards comprise:

- A buy-out award over Jupiter shares with a value at the date of grant of £604,000 in compensation for incentives that he forfeited upon change of employment. This buy-out award was structured so as to replicate the value and timing of the forfeited incentives. Although agreed and granted before Matthew was appointed a Director and without the expectation of him becoming a Director in 2022, in line with the reporting regulations, details of the buy-out award are set out in the table of share awards granted in the year on page 130.
- A one-off award which was negotiated prior to Matthew's appointment as a Director in order to secure his recruitment. In relation to the six months he served as a Director during 2022, the award had a value of £265,223 on a pro-rated basis, and is included on that basis in the single figure table on page 119. This recruitment award is payable in line with regulatory requirements, 25% in cash in February 2023, 25% into Jupiter shares/fund units to be retained until September 2023 and 50% in Jupiter shares vesting over three years.

Alignment of strategy and remuneration in 2023

Jupiter's primary focus is on delivering value to clients through long-term investment outperformance after all fees. Jupiter's business model of combining this investment outperformance with an effective distribution platform, supported by efficient and scalable operations, has enabled us to deliver value to shareholders since listing in 2010 and to demonstrate how an active, high-conviction approach to investment can be a differentiator from passive strategies.

The variable pay structure aims to support the delivery of the Company's growth strategy, by incorporating key financial and strategic performance measures into the bonus balanced scorecard and the LTIP performance conditions, while allowing the Remuneration Committee appropriate discretion to ensure bonus and LTIP payouts remain in line with the overall experience of our various stakeholders. Longer-term alignment is achieved by a combination of a high level of deferral of bonus payouts into shares or fund units, an extended release for LTIP awards and significant minimum shareholding guidelines.

The Committee is satisfied that the broad structure of performance measures used in 2022 remains appropriate for use in 2023 (as detailed in the table below).

Percentages are weighting of each measure in the relevant plan	Annual bonus	LTIP
PBT	40%	–
Net flows	–	30%
Investment outperformance	25% (1 yr and 3 yr)	30% (3 yr and 5 yr)
EPS	–	40%
Strategic and individual performance	35%[1]	–

1. Strategic measures used in the annual bonus plan in 2023 will be aligned to our refreshed strategic priorities for 2023 (as set out on page 126).

The Remuneration Committee intends to grant the 2023 LTIP in line with the Company's standard approach (with the number of shares to be awarded based on the average share price for the three days preceding grant) and will review the final outturn to ensure that there have not been any windfall gains. This is in addition to the standard risk and compliance assessment and review of the final outturn to ensure it is warranted based on shareholder and client experience over the performance period.

Other changes to remuneration in 2023

We are mindful of the impact of economic conditions on our wider workforce and in view of this we implemented a minimum 5% uplift to those employees earning less than circa £100,000 or equivalent.

The Committee considered the salary of our CFO (Wayne Mepham) in the context of his increased responsibilities for risk and compliance. Notwithstanding these increased responsibilities, the Committee capped the increase in his salary at 5%, which is below the average increase for the wider workforce, taking it from £330,000 to £346,500 for 2023. Pension, bonus and LTIP opportunity, which are based on percentage of salary, will be unchanged for Wayne in 2023. The Committee intends to undertake a more thorough review of Wayne's remuneration arrangements relative to the enhanced scale of his job as part of the Remuneration Policy renewal in 2024.

Performance and incentive outturns for 2022

Performance

As the CEO outlined in his review, this has been a challenging year for the global economy and by extension therefore for all financial markets. Jupiter has also been adversely affected by recent market dynamics which have created a challenging backdrop for our own particular set of investment capabilities. These challenges are reflected in our net flows and investment performance over the full year.

Notwithstanding this, there has been significant success in relation to key strategic initiatives including the rationalisation of our fund range and review of our operating model, which have sharpened our active investment proposition in a manner that will enable us to be more efficient and effective in serving our clients' needs. There has also been success building out our institutional business which contributed to strong gross flows of over £3bn in 2022, translating to £2bn of net inflows, both of which are records for Jupiter in any year.

Bonus outturn

Based on the performance, the outcome of the bonus scorecard was between 30.5-35.5% of maximum for the three executives who acted as Executive Directors during 2022. The individual outcomes are set out on page 124. As mutually agreed with Andrew Formica, his 2022 bonus has been pro-rated to the end of June (the date he notified the Board of his intention to retire) rather than the end of September (when he stepped down from the Board). The 2022 bonus for Matthew Beesley in the single figure table on page 119 has been pro-rated to reflect the six months he served as a Director during the year. The Committee gave careful consideration to these outcomes in respect of various internal and external factors detailed on page 124 and concluded that no discretionary adjustment was required.

A full disclosure of the bonus determination process and the scorecard outcomes is provided on pages 121 to 123.

CEO 2022 single figure and pay ratio

The CEO single figure and pay ratio are both more complicated than usual in 2022 because of the transition between Andrew Formica and Matthew Beesley on 1 October. Their aggregated 2022 single figure is £1,135,000 and the median CEO pay ratio is 9:1 (2021: 22:1).

Employee share ownership

Employee share ownership continues to remain a core principle for the Company, ensuring a strong alignment with our other shareholders in the long-term interest in the Group's performance and allowing all employees to share in the Company's success.

During 2022, the Company granted all eligible employees a free share award. For employees based in the UK, this is under the Company's Share Incentive Plan (SIP). This award, contingent upon employees continuing to serve with the Company for at least three years from the award date, ensured full participation in at least one of the Company's all employee share plans. A further free share award has been announced for all eligible employees in 2023 and will be granted in April 2023.

Pay regulation

Following our preparations in 2021 to review our remuneration policies and approach to ensure compliance with IFPR, 2022 represented the first performance year to which the new rules applied.

During 2022, we continued to ensure ongoing compliance with the requirements including updating our Group Remuneration Policy and preparing remuneration disclosures under the new rules. We have also reviewed the application of all prevailing sectoral pay regulations to ensure our pay arrangements continue to meet regulatory expectations whilst remaining market competitive.

Shareholder engagement

During the coming year, we will be consulting with our largest shareholders and investor bodies as we undertake our regular triennial review of the Remuneration Policy and I look forward to their constructive input and engagement as in previous such consultations.

I welcome feedback at any point in time from our entire shareholder base regarding our remuneration arrangements. I am grateful for your support in approving the DRR at the 2022 AGM, with over 95% of votes cast in favour, and I hope that we will again have your support at the forthcoming AGM.

ROGER YATES
Chair of the Remuneration Committee

23 February 2023

EXECUTIVE REMUNERATION AT A GLANCE

This table summarises the key terms for Executive Directors of the Directors' Remuneration Policy approved by shareholders at the 2021 AGM, alongside commentary of how we intend to apply this in 2023. A full version of the Remuneration Policy can be found on pages 84-93 of the 2020 Annual Report which is available on our website at www.jupiteram.com.

Element	Remuneration Policy summary	2023 approach	Commentary relative to 2022 approach
Salary	• Base salaries are generally reviewed annually taking into account a range of factors including size and scope of the role; skills, performance and experience of the individual; market competitiveness; wider market and economic conditions; and the level of increases in the wider employee population	• CEO £455,000 (2022: £455,000) • CFO £346,500 (2022: £330,000)	• CEO's salary unchanged • CFO's salary increased by 5% (in line with the majority of the workforce but below the average increase for the wider workforce) taking it from £330,000 to £346,500 with effect from 1 April 2023. This is in the context of his increased responsibilities for risk and compliance.
Pension	• Pension contributions of 15% of salary are made at a consistent level to all UK employees	• 15% of salary	• Unchanged
Bonus opportunity	• Maximum opportunities: CEO 425%, CFO 250% of salary	• Maximum opportunities: CEO 425%, CFO 250% of salary	• Unchanged
Bonus performance measures	• Balanced scorecard approach • At least 65% based on corporate quantitative measures; no more than 35% based on individual and strategic measures • Payments subject to risk and compliance assessment, overseen by the Chair of the Audit and Risk Committee and application of Remuneration Committee judgement	• 65% based on corporate quantitative measures (profitability, investment performance over 1 and 3 year periods); 35% based on strategic objectives and individual performance	• Unchanged
Bonus deferral	• 50% of total bonus deferred over three years vesting in annual tranches and subject to an additional six-month holding period • Deferral can be in shares or fund units • Half of the remaining 50% delivered as shares or fund units subject to a six-month holding period	• Where an Executive Director has not yet met their minimum shareholding requirement, only 25% of their deferred element can be delivered in fund units	• Unchanged
LTIP opportunity	• Maximum opportunities: CEO 375% and CFO 225% of salary	• Maximum opportunities: CEO 375% and CFO 225% of salary	• Unchanged
LTIP performance measures	• Subject to relevant performance measures normally assessed over at least three years and usually subject to an additional two-year holding period • Vesting subject to risk and compliance assessment and underlying business performance underpin	• Three measures: EPS growth (40%), net flows (30%) and investment outperformance over 3 and 5 year periods (30%)	• Unchanged
Shareholding requirements	• CEO 500%, CFO 250% of salary • Post-employment shareholding requirement of CEO 500% / CFO 250% of salary in the first year and CEO 250% / CFO 125% in the second year after stepping down	• In line with the Remuneration Policy	• Unchanged
Malus and clawback	• Malus and clawback provisions apply to all variable remuneration	• In line with the Remuneration Policy	• Unchanged

ANNUAL REPORT ON REMUNERATION

Implementation in 2022

Overview of activities in 2022

The following regular agenda items were considered during the scheduled Committee meetings which took place during 2022:

	Jan	Feb	May	Oct	Dec
Remuneration Policy and disclosures					
Review of Remuneration Policy	•	•			
Directors' Remuneration Report	•	•			•
Risk and reward					
Input from Risk and Compliance	•				
Review of risk checkpoints prior to variable compensation pool approval	•				
Malus and clawback assessment	•	•			•
Annual remuneration discussions					
Bonus and LTIP pool	•	•	•	•	•
Assessing performance against bonus scorecard	•				
Individual performance and remuneration outcomes	•	•			
LTIP performance condition testing	•				
Allocation of LTIP awards	•				
Setting bonus scorecard and LTIP performance measures	•	•			
Setting individual objectives for Executive Directors	•	•			
Minimum shareholding testing[1]					
Review of Chair's fees[1]					
Review of approved all employee share plans			•		
External market					
Shareholder trends and feedback			•		
Market trends				•	
Benchmarking data				•	
Regulatory					
Internal audit of Remuneration Policy				•	
Remuneration Policy Statement					•
Material Risk Taker identification (UCITS V, AIFMD and IFPR)		•			
Wider workforce pay arrangements			•		
Gender Pay Gap[1]					
Committee remit and effectiveness					
Terms of reference review					•
Self-evaluation					•

1. These agenda items had previously been discussed in late 2021 but have been tabled at the February 2023 meeting. Going forward these are expected to be scheduled in February.

Work of the Remuneration Committee in 2022

The table on the previous page provides a high-level overview of the various topics which the Committee has worked on during 2022. The remainder of this section satisfies several requirements of the latest Corporate Governance Code.

Provision 40 statement and strategic rationale

The Committee aims to have in place remuneration arrangements which are simple and therefore well understood by the entire workforce, including the Executive Directors. The simplicity is supported, for example, by a single pension and benefits structure applicable to all UK employees and not differentiated based on seniority. Jupiter operates a single bonus deferral plan, and an LTIP scheme. This simple and well communicated remuneration structure should ensure compensation spend is appropriately valued by employees, and not eroded by complexity.

All variable compensation, including that for Executive Directors, is subject to a series of risk checkpoints (as described in more detail on page 134), which aim to assess a range of ex-ante and ex-post potential financial and non-financial risks to the business prior to payment of any bonuses. In conjunction with an individual risk, compliance and conduct underpin, and the provision of malus and clawback conditions on variable compensation awards to Executive Directors, the Committee is confident that its work provides a robust framework to ensure appropriate risk alignment of compensation.

The range of possible pay awards available to Executive Directors under the Remuneration Policy was clearly set out in the 2020 Directors' Remuneration Report on pages 90 to 93 of the 2020 Annual Report and Accounts.

An overview of how the structure of the Remuneration Policy and specific performance metrics align with Jupiter's business strategy and culture is set out in the Committee Chair's statement.

Engagement with shareholders

The Chair of the Remuneration Committee is available to engage with shareholders on all elements of our remuneration arrangements, including at the Company's AGM to facilitate engagement with our smaller shareholders. Following the publication of the DRR last year, there were no material concerns raised by shareholders or investor bodies and shareholders supported the DRR with a 95.5% approval at the 2022 AGM. We will be seeking engagement with our major shareholders during the course of this year, as we develop our Directors' Remuneration Policy for consideration at the 2024 AGM.

As stated in the Committee Chair letter, the Committee welcomes feedback at any time from our entire shareholder base regarding our remuneration arrangements.

Operation of Remuneration Policy

A description of how the Committee assesses the quantum of the bonus scorecard outcomes in the context of the overall corporate performance and experience of shareholders and clients is provided separately on pages 121 to 123.

Statements regarding the Committee's use of discretion in regard to the bonus outcomes for 2022 and the testing of the LTIP performance conditions ending in 2022, which vest in March 2023, are included on pages 124 and 125 respectively.

Remuneration decisions made by the Committee in relation to the Executive Directors also take into account a range of additional factors including internal relativities (details of our CEO pay ratio are on page 136) and relevant external market data.

Wider workforce pay and engagement

The Remuneration Committee is closely involved in considering the remuneration policies and pay levels of the wider Jupiter workforce. The Committee's work involves debate, discussion and ultimate approval of the Company-wide variable compensation spend as well as the salary increase budget for the whole workforce, with consideration given to the amounts and proportions of total spend allocated to different areas of the business. Part of this discussion requires a consideration of the underlying PBT, which is also a key metric under the bonus scorecard for Executive Directors.

The Committee is provided with data illustrating the mean and median bonus levels and salary increase percentage split by gender for the current and previous performance year, in order that it can also analyse the outcomes from a gender pay perspective. More details can be found in our separate Gender Pay Gap Report.

One of the recurring exercises undertaken by the Committee on an annual basis is a review of external compensation benchmarking data, giving an overview of fixed and total compensation levels for all employees relative to the wider market. This data allows the Committee to challenge pay decisions at a more granular level, and make proposals to management in respect of the upcoming pay round.

The Committee approves all compensation for Material Risk Takers, including for investment managers. Whilst this process is a regulatory requirement, it involves a detailed and robust discussion, in relation to the financial and non-financial considerations.

Jupiter also has an established employee representation forum, Connections, whose Chair meets with the Board and the Remuneration Committee regularly. This engagement is Jupiter's method for ensuring a formal dialogue exists between employees and the Board. It provides the opportunity for employees to engage with the Board on any relevant employee matters, including pay.

Collectively, this work helps demonstrate the Committee's considerations in appropriately balancing the pay outcomes for the wider employee population with its decisions regarding executive pay.

During the year an internal evaluation of the Committee's effectiveness was undertaken, the process for which can be found on page 92. An update on the actions arising from the 2021 Committee evaluation are detailed on the following page, together with an overview of the outcomes from the 2022 evaluation.

2021 priorities	2022 status
In light of the changes in key personnel supporting the Committee during 2021, ensure effective working relationships are developed between all parties and continue to drive improvements to papers.	• The Committee, particularly the Chair, has developed very effective working relationships with all personnel supporting the operation of the Committee and there has been increased engagement outside of Committee meetings. • The 2022 evaluation noted the improved quality and timeliness of papers being delivered to the Committee.
Ensure effective implementation of IFPR.	• IFPR was a key area of focus during the year and the Committee received regular updates and, where appropriate, challenged the approach to the implementation of the new requirements. • All of the Group's remuneration policies and practices were updated in line with the new requirements within the deadline.
Consider wider remuneration practices, in light of the demand for talent, to ensure we can continue to retain and attract talented individuals aligned with our culture.	• The Committee has overseen a number of proposed changes to remuneration practices to help retain and attract talented individuals, which has included changes to our remuneration guidelines, pension strategy and the operation of our employee share plans. • The Committee has also focused on supporting more junior staff during the cost-of-living crisis with targeted salary increases. • This will continue to be a key focus during 2023, particularly due to the wider macro-economic picture and continued demand for talent.

2022 evaluation conclusions

The 2022 Committee evaluation demonstrated that the Committee was operating very effectively with high scores across all areas of the Committee's operations. The quality of the Chair of the Committee and new HR team were particularly commended. The following items were identified as priorities for 2023:

- Review and development of the Directors' Remuneration Policy which is due for renewal at the 2024 AGM.
- Improve engagement with the Boards of Jupiter's regulated entities regarding the work of the Committee.
- Continue to focus on Jupiter's ability to attract and retain high-performing employees aligned with Jupiter's culture.

Implementation in 2022

Single total figure

Executive Directors' 2022 and 2021 remuneration (audited information)

	Andrew Formica[1]		Matthew Beesley[2,3]		Wayne Mepham	
	2022 £'000	2021 £'000	**2022 £'000**	2021 £'000	**2022 £'000**	2021 £'000
A. Fixed pay						
Base salary	341	455	191	–	330	315
Taxable benefits[4]	4	8	1	–	4	4
Pension[5]	45	60	25	–	44	42
Total fixed remuneration[11]	**390**	**523**	**218**	–	**378**	**361**
B. Annual bonus						
Annual bonus:						
Delivered in cash	74	410	71	–	73	167
Delivered in shares/fund units vesting immediately with six-month holding period	74	410	71	–	73	167
Delivered in shares/fund units vesting over three years	147	819	142	–	147	334
Total bonus[6, 11]	**295**	**1,639**	**285**	–	**293**	**668**
C. Vesting of LTIP awards[7]						
For performance in multi-year periods:						
2019 award (2019-2021)[8]	–	326	–	–	–	–
2020 award (2020-2022)[9]	–	–	–	–	–	–
Total value of LTIP vesting	**–**	**326**	**–**	**–**	**–**	**–**
D. Other						
Recruitment award[12]:	–	–		–	–	–
Delivered in cash			66			
Delivered in shares/fund units vesting immediately with six-month holding period			66			
Delivered in shares/fund units vesting over three years			133			
SIP matching and free shares	4	2	1	–	2	2
Sharesave award	–	–	4	–	4	–
Total other[11]	**4**	**2**	**271**	–	**6**	**2**
Total variable remuneration (B+C+D)	**298**	**1,967**	**556**	–	**300**	**670**
Total remuneration (A+B+C+D)[10]	**689**	**2,490**	**774**	–	**678**	**1,031**

1. 2022 fixed pay figures for Andrew Formica represent the pro-rated period of the performance year up to 30 September 2022 the date he stepped down from the Board.
2. 2022 figures for Matthew Beesley represent the pro-rated period of the performance year from 28 June 2022 the date he joined the Board.
3. Matthew Beesley's salary was £300,000 p.a. for the period to 30 September (whilst Deputy CEO) and £455,000 p.a. for the period to 31 December (whilst CEO).
4. Comprising private medical and dental insurance and reimbursement of reasonable expenses incurred in the performance of their duties and payment of any tax arising.
5. Represents employer pension contributions and/or cash allowance in lieu of pension contributions. There are no defined benefit arrangements. Employees with registered pension protection or those impacted by the Tapered Annual Allowance may elect to have some or all of their pension contributions paid instead as a cash allowance, after deducting an amount equal to the cost of employer national insurance on such cash payments. The pension amounts in the single figure table may therefore be less than 15% of the salary.
6. These amounts have been determined by the Remuneration Committee based on performance against the relevant annual bonus performance measures in respect of the relevant year. As mutually agreed with Andrew Formica, his bonus has been pro-rated to the date he notified the Board of his intention to retire.
7. The value of the LTIP awards vesting is based on the Remuneration Committee's determination of performance against the relevant LTIP performance measures across prior multi-year performance periods.
8. The value of the 2019 LTIP award vesting in 2022 has been restated based on the share price on the vesting date 22 March 2022 of £2.12 and vesting due to performance of 30.3%.
9. Value of the 2020 LTIP award vesting in 2023 based on 0.0% vesting.
10. Amount of single figure attributable to share price appreciation/(depreciation) for the 2019 LTIP for Andrew Formica in respect of 2021 is as follows: 2021: (£195,745). This value has been calculated using the actual share price on vesting of £2.12 on 22 March 2022.
11. Any discrepancies in totals is due to rounding.
12. As outlined in the Committee Chair's letter, this recruitment award was negotiated prior to Matthew Beesley's appointment as a Director in order to secure his recruitment. The value shown here relates to the six months he served as a Director in 2022. The award is payable in line with regulatory requirements as shown in the table.

Executive Director variable pay awards for 2022 performance

Variable pay awards for 2022 performance have been determined by the Committee using the following process:

- At the start of the year, the Committee set and agree the performance metrics, relative weighting between corporate quantitative and strategic goals, and associated targets for each performance level (threshold, target and maximum) for corporate quantitative metrics.
- The annual metrics and weightings are disclosed prospectively in the DRR; the detailed targets are considered commercially sensitive and are disclosed retrospectively, following the performance year-end.
- Throughout the year the Committee monitor progress against the relevant performance metrics.
- Following year-end, actual performance against each of the bonus metrics is assessed as reported in the scorecard on the following pages. For corporate quantitative metrics, this in the context of the threshold, target and maximum ranges set.
- Individual bonuses for the Executive Directors are determined utilising a scorecard. Bonuses are not formulaic and judgement is applied by the Committee in arriving at award amounts. The Committee considers the context in which performance has been achieved, having reference to shareholder and client experience during the year on pages 121 to 123.
- Overall variable compensation spend is considered in the context of the total compensation ratio relative to their expected ranges as previously communicated to shareholders.

Assessing corporate quantitative performance (audited information)

The following section sets out Jupiter's actual performance against target for the primary measures relating to profitability and investment outperformance, which are given a 40% and 25% weighting respectively and therefore together comprised 65% of the CEO and CFO's bonus metrics for 2022.

Performance metric	Primary measure	Threshold performance (25% vesting)	Target performance (50% vesting)	Maximum performance (100% vesting)	Actual performance	Percentage outcome	Commentary
Profitability	Underlying PBT	£123.8m	£154.7m	£185.6m	£77.6m	0%	Underlying PBT targets are based on the Group's 2022 budget established in December 2021. The budget included an increase in AUM with the Group's growth strategy. Subsequently, the invasion of Ukraine by Russia and the significant inflationary pressures experienced in 2022 has led to a deterioration of economic conditions, negatively impacting the level of AUM and profitability. The net impact was actual performance below the threshold.
Investment outperformance	Proportion of mutual funds (weighted by AUM) achieving performance of first or second quartile over one year (25% weighting) and three years (75% weighting). Proportion of segregated mandates and investment trusts (weighted by AUM) achieving performance above the benchmark over one year (25% weighting) and three years (75% weighting)	50%	60%	80%	52%	30%	In respect of 2022 performance year, the Remuneration Committee agreed to increase the threshold target to 50% from 40% as per prior years. The investment performance achieved in respect of performance year 2022 is 52% which has been impacted by the recent market dynamics. Investment performance above the threshold target has resulted in the target delivering 7.5% as a weighted percentage of the overall maximum.

Implementation in 2022

Assessing corporate strategic performance (audited information)

The following table sets out supporting commentary and information the Committee considered in assessing overall performance in each of the areas of strategic performance identified for 2022, as well as the Committee's overall qualitative assessment of the outcome for each metric. In conjunction with assessment of individual performance, these measures comprise 35% of the CEO and CFO's bonus metrics for 2022.

Performance metric	2022 Assessment	Outcome
Client relationships	Through this year, Jupiter has sought to actively engage with their clients to deepen these relationships and to take a more strategic, holistic approach to client account management. Jupiter's product development approach has evolved to become more tailored and more bespoke in nature to meet client demand. Jupiter has also engaged with its clients this year through our annual client survey. This survey comprised of in-depth interviews with 40 clients across regions and client channels and scored highly in a number of key areas, including 84% in relationship management and 83% in customer support. The survey provided a rich source of insight and highlighted areas that can benefit from improvements, such as communications, and plans are already in place to action these during 2023. 2022 was also the first full year since the start of the pandemic in which Jupiter has been able to more fully connect with clients on a face-to-face basis and it has taken every opportunity to do so. Over the course of the year, Jupiter has had over 10,000 client engagements across the world and has attended or hosted nearly 350 client events across 26 countries, including Jupiter's flagship investment client conference which was held in London.	Significantly achieved
Investment products	Jupiter has continued to restructure its fund range, recognising that there were opportunities to strengthen its active propositions through reviewing its sub-scale, non-differentiated funds. There were also a number of areas where Jupiter had overlapping capabilities or were present in areas of limited client demand. Across the whole product range, 46% of Jupiter's mutual funds had less than £100m of assets so it has made changes to simplify the range of capabilities to better reflect client needs. In total, through a series of closures, mergers and repositionings, changes are being made to almost a third of the fund range. Once the changes are completed later in 2023, Jupiter will have around 25% fewer funds by number. Importantly, because these endeavours have been focused on our sub-scale funds, only 4% of overall group AUM has been impacted and total outflow as a result of these changes is estimated to be substantially lower than this at around £140m as at 31 December 2022. In addition, Jupiter has launched four new successful products during 2022 with combined AUM of £100m.	Significantly achieved
Talent and culture	At Jupiter we are focused on delivering on our purpose and strategy and creating a consistent culture in which the cultural pillars are lived daily. During 2022, Jupiter set out to articulate the behaviours that sit underneath its cultural pillars to underline the active role that each employee plays in promoting the culture that Jupiter needs to succeed in the future. This project aimed to develop a deeper understanding of our employees' perceptions of life at Jupiter and the behaviours required. The research spanned all levels and locations of the organisation, including one-to-one interviews with senior leaders, focus groups with employees and an online survey – all of which resulted in feedback from over 300 employees. The result was a set of tangible behaviours that each Jupiter employee is expected to uphold in their day-to-day role. In conjunction with the launch of the behaviours, Jupiter has launched a new peer recognition scheme, Proud@Jupiter, to recognise individuals that make all of our people proud to work at Jupiter. In addition, an employee engagement survey during 2022 attracted a 90% participation rate (an 8% increase from the 2021 survey). At 71%, Jupiter has seen an increase in our overall engagement score which highlight the strong positive trends in inclusion, leadership communication, work/life balance and clients first with a renewed energy for DE&I initiatives.	Significantly achieved
Operating model	During 2022, against a backdrop of price inflation and lower revenues, cost control has been a key focus. Following the significant reduction in the scale of the business in the first half of 2022, Jupiter completed a comprehensive review of its operating model. The review identified the opportunity to re-balance resources whilst bringing increased agility. It also remained focused on retaining an operating model centred around its clients, with a clear focus on risk management, and retaining investment in key areas of growth. As a result, a restructuring programme led to a reduction in Jupiter's planned roles of around 15%. In respect of non-staff costs, the review also focused on all supplier relationships across the business and identified a number of areas where cost savings were possible. Jupiter continues to maintain a focus on its cost base to identify inefficient allocation of resources, outsourcing opportunities and consolidating suppliers where appropriate, and investing in technology.	Significantly achieved

Performance metric	2022 Assessment	Outcome
Sustainability	2022 was an important year in progressing towards Jupiter's firm-wide sustainability ambitions. Jupiter enhanced its sustainability governance framework and relaunched its Sustainability Advisory Council to provide expert counsel, insight and guidance on material sustainability issues for labelled and non-labelled funds. Jupiter created new sustainability and responsible investment policies to govern its investments and operations. Jupiter's range of sustainability-focused products continued to attract client interest this year despite a more difficult market environment. Across the range, Jupiter generated over £250m of net inflows and total AUM now stands at £1.8bn. In 2022, Jupiter put in place a central corporate sustainability team to lead and deliver on our firm-wide sustainability ambitions. The team has made excellent progress, launching several new sustainability initiatives and reviewing our existing commitments and pledges to ensure that we continue to embed good practice across all of our business areas. Jupiter published a Sustainability Policy for the first time and has set out its existing corporate approach to sustainability and the ways in which it seeks to act as a responsible business, including how it manages its operational footprint, engages with suppliers, sets expectations and demonstrates commitment to putting our cultural pillars into action through employee and stakeholder engagement.	Achieved
Institutional	Jupiter saw particular success in the institutional channel this year as the focus over the last three years was realised in terms of new mandates funding. Jupiter generated gross flows of over £3bn from institutional clients and net inflows of £2bn, both of which were records for Jupiter. The Group's total AUM in this channel increased to £6.8bn, which represents 14% of the Group. Through 2022, Jupiter continued its focus on broadening its expertise in the institutional business and appointed a new Head of Institutional. Jupiter's relationships with consultants continued to broaden across the world this year and now has 18 'Buy' ratings from nine consultants, across nine different strategies.	Significantly achieved
Overseas markets	Jupiter's overseas businesses now account for 32% of the Group's AUM and 25% of revenues. Despite significant outflows from its core UK business, Jupiter generated broadly flat flows this year from international clients. Jupiter now has the opportunity to build scale in key markets and has worked hard to identify where the most significant opportunities lie. Jupiter has strengthened its team, including with a newly appointed Head of International and allocated resources to the few key markets where it sees the greatest opportunities to drive future growth.	Achieved
Corporate social responsibility	Jupiter plays an important societal role by investing to create secure futures for its clients that also accounts for our wider responsibilities for both people and the planet. Jupiter's core commitment to sustainability is externally recognised by our Tier 1 FRC Stewardship Code status and it remains committed to reducing the environmental impact of its operations. The Group retained its listing on the FTSE4Good indices and achieved a AAA score from MSCI. Jupiter's CDP score positions the Group in the 'leadership' category. In addition, during 2022, Jupiter was awarded the Fair Tax Mark accreditation by the Fair Tax Foundation, the first global asset manager to secure this gold standard of responsible tax conduct. In 2022, Jupiter engaged with Arrival Education, a company specialised in enabling access to industry for individuals from diverse ethnic and socio-economic backgrounds. This partnership has seen the launch of the Jupiter Financial Confidence Programme for 18-25 year olds from low-income communities with the specific aim of helping attendees manage their personal finances, whilst giving Jupiter staff a means to use their skills and knowledge to create a social impact. Jupiter's employee networks have been brought together through a central DE&I forum, which is chaired by Matthew Beesley. The increased visibility of its employee networks in 2022 has led to strong results in the DE&I space in the staff engagement survey. In December, the Group saw a 20% increase in positive responses to the question 'I feel able to be myself at work', now standing at 87% overall - a question which seeks to highlight how open and inclusive the working environment is for our people. Through the implementation of a new employee HR information system, which was rolled out in September 2022, Jupiter has increased its data capture across key aspects of diversity, achieving an 88% disclosure rate on ethnicity diversity data, as well as more systematically capturing data on sexual orientation and disability for the first time.	Achieved

Assessing individual performance (audited information)

The following table sets out supporting commentary and information the Committee referenced in assessing individual performance of the Executive Directors for 2022.

Executive	2022 Assessment	Outcome
Andrew Formica Chief Executive Officer	In June, Andrew Formica's retirement from his role as CEO was announced, noting that he would step down from the Board effective 1 October 2022. During 2022, Andrew continued to provide leadership throughout a highly challenging period for the business. Andrew has supported and navigated the transition to Matthew as CEO by supporting the Board with succession planning and providing mentorship to the Executive Committee members and Matthew. Andrew has continued to promote Jupiter in the media and industry and has represented Jupiter at the highest levels of the industry through board representation on the Investment Association as well as member of the Government Asset Management taskforce. Andrew has effectively delivered the firm's core strategy and business performance to shareholders and analyst community despite extremely challenging business performance, particularly in UK Mid Cap, Fixed Income and the retail and wholsesale business. He has led the changes that resulted in strong results in institutional after years of effort to enhance our offering in this important channel.	Good
Matthew Beesley Chief Executive Officer	Since joining Jupiter in January 2022, Matthew has made an immediate and significant impact on the business as CIO by developing and implementing plans to restructure the Group's fund range to ensure the best outcomes for the firm's clients and to reduce complexity. During his time as CIO, Matthew developed a deep understanding of the business, people and other key stakeholders. Since his appointment as CEO, Matthew has taken decisive actions to promote Jupiter's success and adapt to market and industry conditions. He has shown strong leadership skills and the Board is pleased by the progress Matthew has made in evolving and adding to the Group's strategy, as well as addressing many short-term challenges in the current economic conditions. Matthew has very proactively increased his communication across the business, ensuring employees are fully briefed on key matters. Matthew has been instrumental in establishing the SMT to support the Executive Committee in the implementation of the Group's strategy and appropriate allocation of resources. During 2022, Matthew has brought a huge amount of energy, leadership skills, strategic insights and an unwavering focus on client outcomes.	Outstanding
Wayne Mepham Chief Financial Officer	Wayne has taken an active role in building leadership within Jupiter across 2022, noting that his contribution at all levels have enhanced. Wayne has expanded his scope of responsibilities at Jupiter with Risk and Compliance moving under his remit in the second half of the year and, in a short space of time, has restructured Risk and Compliance through the separation of the functions and has instigated a review of the Risk function to drive improvements. Wayne has led the implementation of behaviours that sit underneath its cultural pillars to enable Jupiter to promote the culture that Jupiter needs to succeed in the future. In addition, Wayne has been instrumental in leading and completing a comprehensive review of Jupiter's operating model, resulting in a restructuring programme and a review of all supplier relationships across the business. Under Wayne's leadership, the annual employee engagement survey has been remodelled in 2022 to move Jupiter towards pulse surveying in 2023. Wayne has increasingly held regular and active engagement with many individuals across the Group in a range of forums. Wayne has continued to build strong relationships with all stakeholders including the Board, Audit and Risk Committee, shareholder and analyst communities.	Outstanding

Determining individual Executive Director 2022 annual bonuses (audited information)

The 2022 annual bonus awards have been determined by the Committee using: an assessment of performance against the metrics laid out in the balanced scorecard on the previous pages; a holistic assessment of the shareholder and client experience in the year; and an assessment of risk and compliance underpins. Specific conclusions reached by the Committee were as follows:

- The Committee noted the challenging macro-economic environment and the recent market dynamics impacting Jupiter's investment capabilities, which are reflected in the financial component of the balanced scorecard.
- The Committee also noted the significant successes in relation to the key strategic initiatives allowing Jupiter to become a more agile business and thereby enabling the delivery of long-term growth.
- In particular, the Committee noted the success in relation to the institutional channel during 2022. Jupiter generated gross flows of over £3bn from institutional clients and net inflows of £2bn, both of which were records for Jupiter. The Group's total AUM in this channel increased to £6.8bn, which represents 14% of the Group.
- Jupiter has continued to restructure its fund range and during 2022, focused on those mutual funds which had less than £100m of assets. In total, through a series of closures, mergers and repositionings, changes have been made to almost a third of the fund range.
- Jupiter has continued to focus on cost control and during the year has completed a comprehensive review of its operating model and all supplier relationships across the business, resulting in a reduction in planned headcount of around 15%.

Implementation in 2022

- The bonus outcomes for Executive Directors were in line with the overall variable compensation experience for other employees of the Group.
- There were no risk or regulatory compliance issues at a Group or individual level for which the Committee considers it appropriate to make any variable compensation adjustments for Executive Directors.

In consideration of the above, the Committee was therefore satisfied that the balanced scorecard was a fair outcome consistent with the shareholder, client and wider workforce experience during the year. It has therefore made no discretionary adjustments to the bonus scorecard outcomes.

A summary of the Committee's conclusions is set out in the bonus outcomes table below.

2022 Executive Director bonus outcomes (audited information)

2022 scorecard performance metric	Outcome (as percentage of maximum)	Weighting	Weighted percentage of maximum	Andrew Formica, Chief Executive Officer £'000[2]	Matthew Beesley, Chief Executive Officer £'000[2]	Wayne Mepham, Chief Financial Officer £'000
Profitability	0%	40%	0%	–	–	–
Investment outperformance	52%	25%	7.5%	73	60	62
Strategic goals and personal performance	66% - 80%	35%	23%	222	–	–
			28%	–	225	–
			28%	–	–	231
Totals				**295**	**285**	**293**
Outcome as percentage of maximum opportunity[1]				30.5%	35.5%	35.5%
Delivered as upfront cash				74	71	73
Delivered as shares/fund units with six-month holding period				74	71	73
Delivered as shares/fund units vesting over three years				147	142	147

1. Maximum opportunity for the annual bonus is 425% of salary for the CEO, 250% of salary for the CFO.
2. As mutually agreed with Andrew Formica, his 2022 bonus has been pro-rated to the end of June (the date he notified the Board of his intention to retire) rather than the end of September (when he stepped down from the Board). The 2022 bonus for Matthew Beesley in this table has been pro-rated to reflect the six months he served as a Director during the year.

Overall compensation spend

Jupiter's overall variable compensation spend is determined appropriate and affordable in the context of Jupiter's overall performance. We aim to balance and align the interests of our staff and our shareholders.

The variable compensation spend is assessed in its financial reporting context, which considers the accounting treatment of the variable compensation spend. In addition, the Committee considers the total compensation expense, which includes the fixed component of remuneration as well as the variable.

The variable compensation expense is determined by the nature and extent of bonuses awarded in 2022 as well as deferred awards (including LTIP) made in prior years. It also includes national insurance charges levied on Jupiter in relation to variable compensation. The 2022 underlying variable compensation expense of £104.5m (including performance fees) resulted in a total compensation ratio of 47.0%. Excluding performance fees the underlying variable compensation expense is £70.6m, resulting in a total compensation ratio of 39.5%, which remains within the range previously communicated to shareholders.

Non-Executive Directors' 2022 and 2021 fees (audited information)

	Nichola Pease		Polly Williams[2]		Roger Yates		Karl Sternberg		David Cruickshank[3]		Dale Murray[3]		Suzy Neubert[4]	
	2022 £'000	2021 £'000	**2022 £'000**	2021 £'000	**2022 £'000**	2021 £'000	**2022 £'000**	2021 £'000	**2022 £'000**	2021 £'000	**2022 £'000**	2021 £'000	**2022 £'000**	2021 £'000
Fees	235	235	34	94	106	102	79	79	86	42	71	24	60	–
Benefits[1]	1	–	–	–	3	–	1	–	–	–	1	–	1	–
Total	**236**	**235**	**34**	**94**	**109**	**102**	**80**	**79**	**86**	**42**	**72**	**24**	**61**	**–**

1. Benefits comprise reimbursement of reasonable taxable business expenses incurred in the performance of duties and the payment of any tax arising.
2. Polly Williams resigned from the Board on 11 May 2022.
3. Year-on-year increase is due to David Cruickshank and Dale Murray joining the Board in 2021.
4. Suzy Neubert joined the Board in 2022, the fees are therefore pro-rated.

As a nominated respresentative of TA Associates, Chris Parkin is not paid any fees in conjunction with his appointment to the Board.

External directorships

Executive Directors are not permitted to hold external directorships or offices without the Board's prior approval. During the year Andrew Formica served as Non-Executive Director on the Board of Hammerson plc. This role was held by Andrew prior to his appointment to Jupiter, and the Board agreed Andrew could continue serving. Andrew resigned from this role on 28 April 2022. During that period Andrew received fees of £22,167 from Hammerson plc.

In all instances Andrew has been permitted to retain his fees for this appointment.

Payments to exiting Directors (audited information)

No new payments were made to any exiting Directors during 2022.

Payments to former Directors (audited information)

It was announced on 28 June 2022 that Andrew Formica would step down as a Director with effective from 1 October 2022 and remain as an employee of the Jupiter Group during his notice period until 30 June 2023. In accordance with his service contract, Andrew will continue to receive his current level of fixed remuneration until 30 June 2023 but he will not be eligible for an annual bonus or LTIP grant after having stepped down from the Board.

Andrew will be treated as a good leaver and his outstanding share awards will continue to vest on their original terms subject to any applicable performance and time pro-rating terms. He will not receive an LTIP for 2023. Andrew remains subject to the post-employment shareholding guidelines set out in the Remuneration Policy for two years after stepping down from the Board.

Payments for loss of office (audited information)

No payments were made for loss of office in 2022.

Performance condition testing for 2020 LTIP award, vesting 5 March 2023 (audited information)

The LTIP award vesting figure for Andrew Formica and Wayne Mepham shown in the single total figure on page 119 is due to vest on 5 March 2023, subject to two equally-weighted performance conditions measured to 31 December 2022. The performance conditions have been tested and performance against those conditions and the associated level of vesting are outlined below. The Committee is satisfied that the vesting outcome is appropriate in the context of the overall shareholder and client experience and has not exercised any discretion in relation to the testing of the performance conditions.

Performance condition	Performance against the condition over the performance period	Proportion of condition vesting
Underlying EPS growth • 0% vesting for 5% growth or below; • 100% vesting for 25% growth or above; and • Straight-line vesting between these points.	Jupiter's underlying EPS fell by 61.7% over the performance period inclusive of performance fees and fell by 46.9% exclusive of performance fees. Jupiter's underlying EPS growth over the performance period did not therefore exceed the 5% threshold.	0.0% of condition vesting (0.0% of total award)
Investment outperformance[1] The proportion of all of Jupiter's assets (weighted by AUM) achieving above median performance relative to their peer group (retail) or above benchmark performance (institutional) weighted: • 25% over the three-year period to 31 December preceding the vesting date; and • 75% over the five-year period to 31 December preceding the vesting date. • 0% vesting for less than 50%; • 25% vesting for 50%; • 100% vesting for 80%; and • Straight-line vesting between these points.	Jupiter's investment performance was such that: • 44.8% of funds (weighted by AUM) performed above median or above the benchmark over the three-year period to 31 December 2022; and • 49.4% of funds (weighted by AUM) performed above median or above the benchmark over the five-year period to 31 December 2022. On a weighted basis, 48.2% of funds performed above median or above the benchmark.	0.0% of condition vesting (0.0% of total award)
Total		**0.0% vesting**

1. Investment performance of mutual fund AUM outperforming the median uses Morningstar as the single source of relative investment performance data for all funds.

Implementation in 2023

The following section provides an overview as to how each element will be applied in 2023.

Base salary

The CEO's base salary will remain at £455,000. The CFO's base salary will increase by 5% in 2023 to £346,500.

- Matthew Beesley: £455,000 (2022: £455,000);
- Wayne Mepham: £346,500 (2022: £330,000).

Annual bonus

Annual bonuses in respect of 2023 (inclusive of any deferred bonus award) will continue to be subject to the following individual caps as a percentage of base salary in line with the new Remuneration Policy:

- Matthew Beesley: 425%;
- Wayne Mepham: 250%.

The 2023 bonuses will be determined on the normal timetable and in line with the process below.

The performance measures for the 2023 annual bonus will be set within the following balanced scorecard. 65% of these measures will be corporate quantitative measures, with clearly determined 'Threshold', 'On target' and 'Maximum' goals. The remaining objectives will be strategic and individual measures.

Determination of bonus amounts is not formulaic; in addition to reviewing each of the performance measures, the Committee will take a holistic view of the overall performance of the Company for the year to ensure that any bonus amounts appropriately reflect the experience of shareholders. Where performance measures produce an outcome which does not align with that of shareholders, the Committee may exercise its discretion as it considers appropriate.

2023 balanced scorecard

Area	Metric	Performance measures
Corporate quantitative (65%)	Profitability	• Measured through underlying PBT
	Investment outperformance	• Measured through the proportion of mutual funds achieving first or second quartile performance and the proportion of separate account assets beating their benchmarks (weighted by AUM) • Measured over one year (25% weighting) and three years (75% weighting)
Strategic and individual (35%)	Increase scale in selected geographies and channels	• Increased levels of AUM and market share in stated key geographies, but also growth in absolute AUM (net of market movements) in institutional • Focus on building critical mass and scale across a range of new and emerging franchises, deliver net flows broadly consistent with or better than the financial forecast • Increased operating margins across our non-UK geographies in aggregate
	Decrease undue complexity	• Deliver a flat or improved cost:income ratio at an overall company level • Increase automation and the utilisation of technology
	Broaden our appeal to clients	• Ongoing curation of the product shelf and an ongoing consideration of other new product ideas • Delivering active investment excellence, focused on using technology to increase levels of client reporting, data sharing and knowledge transfer • Success in building relationships with new clients and deepening relationships with existing strategic clients
	Deepen relationships with all stakeholders	• Embed sustainability thoughtfully and authentically in all that we do • Increase the positive impact on society through our people and work • Promotion of ESG capabilities and product offering to increase AUM in this market segment • Continue to work towards existing net zero targets for in scope funds and as relevant, consider opportunities to increase range of funds in scope
	Personal performance	• Achievement against specific personal performance objectives
Underpin	Risk and regulatory compliance	• The Committee considers the checkpoints set out on page 134 when exercising its judgement to determine the appropriate variable compensation pool, at a Group level • The Committee also receives an annual report on internal control and risk management factors from risk and compliance to consider when assessing appropriate awards, at an individual level. This was reviewed by the Chair of the Audit and Risk Committee • Any risk or compliance factor (corporate or individual) has the potential to reduce variable compensation, including to zero

Targets for each performance measure will be set by the Committee in line with the framework described on page 115. The Committee considers more specific details of the 2023 performance measures and targets to be commercially sensitive and therefore further details of the targets and weightings for each of these measures and performance against each will be provided in the 2023 DRR.

The determination of variable pay awards in relation to 2023 performance will continue to be assessed with the application of judgement, taking into account a holistic assessment of Group and individual performance. The balanced scorecard, set out in the table on page 124, will allow the Committee to assess performance against key financial and strategic metrics. The Committee's assessment against these metrics and the decision about any variable pay awards will be clearly disclosed to shareholders.

In addition to the performance measures outlined on the previous page, the Committee considers the checkpoints set out on page 134 when exercising its judgement to determine the overall variable compensation spend for any particular year, and also considers individual risk behaviours when assessing individual awards.

Proportion of bonus and delivery method

The payment of bonuses for Executive Directors for 2023 will be as follows and is compliant with the relevant remuneration regulations.

25%

- Delivered as cash.

25%

- Delivered as either deferred Jupiter shares or deferred fund units in a Jupiter fund. Choice between these can be made by the Executive Director nearer the payment date.
- Immediate vesting, but subject to a subsequent six-month post-vesting holding period.

50%

- Delivered as either deferred Jupiter shares and/or deferred fund units in a Jupiter fund. Choice between these can be made by the Executive Director nearer the payment date. Where the Executive Director has not yet met the minimum shareholding requirement, deferral into fund units will be restricted to 25% of this portion of the bonus.
- Vesting in equal tranches over three years, but subject to a subsequent six-month post-vesting holding period.

LTIP awards

The 2023 LTIP awards will be subject to the following performance conditions.

Proportion of LTIP	Performance condition	Performance measure	Outcome
40%	**Underlying EPS growth**[1] Jupiter's underlying EPS must achieve at least 5% growth over the performance period	**Jupiter's underlying EPS growth over the performance period** Less than 5% growth 25% growth or above Any other percentage	**Proportion of the award subject to the EPS performance condition that will vest** 0% 100% Sliding scale between the relevant percentages above
30%	**Jupiter's investment outperformance** The proportion of all of Jupiter's assets (weighted by AUM) achieving above median performance relative to their peer group (retail) or above benchmark performance (institutional) weighted: 25% over the three-year period to 31 December preceding the vesting date; and 75% over the five-year period to 31 December preceding the vesting date	**Proportion of funds (weighted by AUM) achieving above median/ benchmark performance** Less than 50% 50% 80% or above Any other percentage	**Proportion of the award subject to the investment outperformance condition that will vest** 0% 25% 100% Sliding scale between the relevant percentages above
30%	**Net flows** Cumulative net flows for the Group over the performance period	**Net flows over the performance period** Less than £1.5bn £1.5bn £4.5bn or above Any other value	**Proportion of the award subject to the net flows performance condition that will vest** 0% 25% 100% Sliding scale between the relevant percentages above

1. Due to their volatility, performance fees will be excluded from the EPS growth calculation for LTIP awards. For consistency, this will also be applied to the Executive Directors in-flight LTIP awards although the vesting level will not be permitted to exceed the original calculation including performance fees.

Implementation in 2023

LTIP awards continued

These awards will be granted in March 2023 and will vest on the third anniversary of grant, subject to the achievement of the stretching performance conditions, as set out in the table on the previous page. The awards will also be subject to a two-year post-vesting holding period in line with the Remuneration Policy.

The 2023 LTIP award values will be as follows:

- Matthew Beesley: £1,706,250 (375% of salary);
- Wayne Mepham: £742,500 (225% of salary).

Investment outperformance is critical to Jupiter's clients and the Company's long-term success. Its importance is recognised through its use as a performance measure within the annual bonus scorecard and the LTIP.

Given the longer time horizon over which LTIP assesses performance, both a three- and five-year outperformance measure is included.

EPS growth is important to shareholders and is the best measure of Jupiter's successful execution of its growth strategy.

There is no payout under this performance condition at threshold performance, or where EPS growth is less than 5% over the period.

Net flows are a strong indicator of client confidence in Jupiter's products, and are a key determinant of changes in future revenue streams for the business.

In addition to a risk and compliance assessment, LTIP awards are subject to an underlying business performance underpin. The Committee will compare the vesting outcome for LTIP awards against shareholder and client experience over the same performance period.

Non-Executive Director fees, roles and committee responsibilities

Jupiter normally reviews Non-Executive Director fees annually. The Non-Executive Chair's fee and fees for certain Non-Executive roles were last increased with effect from 1 January 2018 and 1 January 2019 respectively. Fees for chairing the Audit and Risk Committee and Remuneration Committee were last increased with effect from 1 January 2020. Following the annual review at the end of the year, the base fee will be increased with effect from 1 April 2023. No other increases are proposed for the 2023 financial year.

	2022 annual fee	2023 annual fee
Base fee	**£64,000**	£66,000
Senior Independent Director fee	**£12,500**	£12,500
Audit and Risk Committee Chair fee (in addition to member fee)	**£22,000**	£22,000
Remuneration Committee Chair fee (in addition to member fee)	**£22,000**	£22,000
Audit and Risk Committee member fee	**£7,500**	£7,500
Remuneration Committee member fee	**£7,500**	£7,500
Non-Executive Chair fee (all inclusive)	**£235,000**	£235,000

Non-Executive Directors are reimbursed for reasonable business expenses.

The roles and committee responsibilities of the Non-Executive Directors during 2022 were as follows:

Director	Title	Roles and committee responsibilities
Nichola Pease	Independent Chair	Nomination Committee Chair Remuneration Committee member
Polly Williams	Independent Non-Executive Director (stepped down 11 May 2022)	Audit and Risk Committee Chair Nomination Committee member
Karl Sternberg	Independent Non-Executive Director	Audit and Risk Committee member Nomination Committee member Remuneration Committee member
Roger Yates	Independent Non-Executive Director Senior Independent Director	Senior Independent Director Nomination Committee member Remuneration Committee Chair
Chris Parkin	Non-Executive Director	Board member
David Cruickshank	Independent Non-Executive Director	Audit and Risk Committee Chair Nomination Committee member
Dale Murray	Independent Non-Executive Director	Audit and Risk Committee member Nomination Committee member
Suzy Neubert	Independent Non-Executive Director (appointed 1 March 2022)	Remuneration Committee member Nomination Committee member

Directors' shareholdings (audited information)

Director	Ordinary shares held at 31 December 2022 (no restrictions)	Unvested ordinary shares held at 31 December 2022 (subject to continued employment)	Total ordinary shares held at 31 December 2022	Vested but unexercised options at 31 December 2022	Unvested options, vesting not subject to performance conditions at 31 December 2022	Unvested options, vesting subject to performance conditions at 31 December 2022	Total options over ordinary shares held at 31 December 2022	Shareholding as a percentage of salary	Shareholding as a percentage of salary including vested and unvested share options
Andrew Formica[1]	1,126,081	5,507	1,131,588	300,676	234,555	2,335,483	2,870,714	284%	391%
Matthew Beesley	42,487	2,596	45,083	–	350,954	271,715	622,669	11%	61%
Wayne Mepham	82,800	2,680	85,480	62,075	254,627	974,802	1,291,504	30%	102%
Nichola Pease	72,050	–	72,050	–	–	–	–	–	–
Polly Williams	–	–	–	–	–	–	–	–	–
Roger Yates	325,000	–	325,000	–	–	–	–	–	–
Karl Sternberg	28,601	–	28,601	–	–	–	–	–	–
David Cruickshank	60,000	–	60,000	–	–	–	–	–	–
Dale Murray	67,327	–	67,327	–	–	–	–	–	–
Suzy Neubert	46,000	–	46,000	–	–	–	–	–	–
Chris Parkin[2]	–	–	–	–	–	–	–	–	–

1. Figures for Andrew Formica are as at 1 October 2022, the date he stepped down as a Director.
2. Chris Parkin is a nominated representative of TA Associates, which currently holds 84,115,278 (15.43%) shares in Jupiter.

There have been no changes to the above interests between the year-end and 23 February 2023 (the latest practicable date before the printing of the Annual Report and Accounts).

Minimum shareholding requirements (audited information)

Executive Directors should maintain a significant holding of shares in the Company. The Remuneration Policy in operation for the 2022 performance year provided that the CEO should hold shares in the Company with a value equivalent to at least 500% of base salary, and other Executive Directors a value equivalent to at least 250% of base salary. The Committee expects Executive Directors to build up their required shareholding within five years from appointment to the Board, and is satisfied with the progress of all Executive Directors against this.

Post-employment shareholding requirements

Under the Directors' Remuneration Policy and in line with the Corporate Governance Code requirements, the Committee has a formal post-employment shareholding requirement for Executive Directors. Executive Directors will be required to maintain a meaningful shareholding for two years after stepping down as a Director, specifically shares worth 500% of salary for the CEO and 250% of salary for other Directors in the first year, decreasing to 250% of salary for the CEO and 125% of salary for other Directors in the second year after stepping down.

Directors' service contracts unexpired terms

The Executive Directors are the only Directors with service contracts, none of which contains an expiry term. The CEO has a 12-month notice period. The CFO has a six-month notice period.

Share awards (audited information)

DBP – options over Jupiter shares

		Options held at start of year		Options granted during the year				Options exercised/lapsed during the year		Options held at end of year		
Director	Year granted	Number of shares under option held as at 1 January 2022 including dividend adjustments[1,2,3,4]	Market value per share at date of grant[3]	Grant date	Face value at award	Price used to determine number of shares[5]	Number of shares under option[1,2,3,4]	Number of shares under option lapsed during the year	Number of shares under option exercised during the year	Number of shares under option held as at 31 December 2022	Earliest exercise date	Latest exercise date
Andrew Formica	2020 (in respect of 2019)	54,874	£3.11	–	–	–	–	–	–	60,187	5 Sept 2022	5 March 2023
		54,876	£3.11	–	–	–	–	–	–	60,189	5 Sept 2023	5 March 2024
	2021 (in respect of 2020)	79,005	£2.82	–	–	–	–	–	–	87,182	9 Sept 2022	9 March 2023
		79,005	£2.82	–	–	–	–	–	–	87,182	9 Sept 2023	9 March 2024
		79,007	£2.82	–	–	–	–	–	–	87,184	9 Sept 2024	9 March 2025
Wayne Mepham	2019 (Buyout Award)	22,989	£3.43	–	–	–	–	–	22,989[6]	–	1 March 2022	1 Sept 2022
	2020 (in respect of 2019)	25,767	£3.11	–	–	–	–	–		28,261	5 Sept 2022	5 March 2023
		25,769	£3.11	–	–	–	–	–	–	28,263	5 Sept 2023	5 March 2024
	2021 (in respect of 2020)	30,643	£2.82	–	–	–	–	–	–	33,814	9 Sept 2022	9 March 2023
		30,643	£2.82	–	–	–	–	–	–	33,814	9 Sept 2023	9 March 2024
		30,644	£2.82	–	–	–	–	–	–	33,815	9 Sept 2024	9 March 2025
	2022 (in respect of 2021)	–	–	3 March 2022	£250,279	£2.04	40,802	–	–	45,336	3 Sept 2023	3 March 2024
							40,802	–	–	45,336	3 Sept 2024	3 March 2025
							40,802	–	–	45,336	3 Sept 2025	3 March 2026
Matthew Beesley	2022 (Buyout Award)[7]	–	–	3 March 2022	£604,000	£2.04	98,467	–	–	109,409	3 Sept 2023	3 March 2024
							98,467	–	–	109,409	3 Sept 2024	3 March 2025
							98,467	–	–	109,409	3 Sept 2025	3 March 2026

1. Outstanding share awards granted in 2020 and 2021 were adjusted by 4.35% as a result of the 14 May 2021 Final and Special Dividend.
2. Outstanding share awards granted in 2020 and 2021 were adjusted by 2.95% as a result of the 1 September 2021 Interim Dividend.
3. Outstanding share awards granted in 2020, 2021 and 2022 were adjusted by 4.6% as a result of the 20 May 2022 Final Dividend.
4. Outstanding share awards granted in 2020, 2021 and 2022 were adjusted by 6.5% as a result of the 31 August 2022 Interim Dividend.
5. Average closing share price from the three trading days prior to date of grant.
6. Closing share price on date of exercise, 1 March 2022, was £2.06. This resulted in a value of shares on exercise of £47,384.
7. This buy-out award replicates the value and timing of incentives forfeited by Matthew Beesley upon his change of employment. Consistent with the forfeited incentives, no performance conditions are attached to this buy-out award.

DBP – options over Jupiter fund units

		Fund units held at start of year		Fund units granted during the year				Funds units released/lapsed during the year		Fund units held at end of year	
Director	Year granted	Number of units held as at 1 January 2022	Market value per unit at date of grant[1]	Grant date	Face value at award	Price used to determine number of units	Number of units	Number of units lapsed during the year	Number of units released during the year	Number of units held as at 31 December 2022	Earliest release date
Andrew Formica	2022 (in respect of 2021)	–	–	3 March 2022	£273,143	–	6,342[2]	–	–	6,342	3 Sept 2023
							6,342[2]	–	–	6,342	3 Sept 2024
							6,349[2]	–	–	6,349	3 Sept 2025
	2022 (in respect of 2021)	–	–	3 March 2022	£273,143	£0.79	115,032	–	–	115,032	3 Sept 2023
							115,032	–	–	115,032	3 Sept 2024
							115,032	–	–	115,032	3 Sept 2025
	2022 (in respect of 2021)	–	–	3 March 2022	£273,143	£0.60	150,642	–	–	150,642	3 Sept 2023
							150,642	–	–	150,642	3 Sept 2024
							150,641	–	–	150,641	3 Sept 2025
	2022 (in respect of 2021)	–	–	3 March 2022	£409,715	£93.17	4,397	–	4,397	–	3 Sept 2022
Wayne Mepham	2019 (Buyout Award)	2,107	£27.52	–	–	–	–	–	2,107	–	1 March 2021
	2022 (in respect of 2021)	–	–	3 March 2022	£83,426	£0.79	35,134	–	–	35,134	3 Sept 2023
							35,134	–	–	35,134	3 Sept 2024
							35,135	–	–	35,135	3 Sept 2025
	2022 (in respect of 2021)	–	–	3 March 2022	£166,853	£93.17	1,791	–	1,791	–	3 Sept 2022

1. Closing unit price from the day prior to the date of grant.
2. This award was originally granted as 2,932 units in the Global Flexible Income fund based on a price per unit of £93.17 (face value at award of £273,143). In October 2022, the Global Flexible Income fund was closed and the cash value of the units at that date (£215,858 based on a price per unit of £77.37) was reinvested into 19,035 units in the Dynamic Bond fund based on a price per unit of USD 11.34. All terms relating to the original units continue to apply to the reinvested units.

Key terms:

- No performance measures are attached to awards granted under the DBP, although awards are normally subject to continued employment with the Company;
- Malus and clawback provisions may apply (see the Remuneration Policy table for further details).
- No exercise price is payable on the exercise of DBP options; and
- Holders of unvested share option awards are not entitled to cash dividend payments as the holders are not the legal owners of the shares. The Remuneration Committee determined that it was appropriate for holders of share option awards to benefit from dividends declared in 2022 as follows, as permitted under the relevant plan rules: For awards granted under the DBP and LTIP schemes, an upwards adjustment to the number of shares over which options were held was applied based on the Final and Interim dividend payments as shown in the footnotes on page 130. These factors are equivalent to the value the holder of a share option award would have received had they been entitled to receive the Final and Interim dividends as cash payments.

LTIP – options over Jupiter shares

	Options held at start of year			Options granted during the year				Options exercised/lapsed during the year			Options held at end of year	
Director	Year granted	Number of shares under option held as at 1 January 2022 including dividend adjustments[1,2,3,4]	Market value per share at date of grant[5]	Grant date	Face value at award	Price used to determine number of shares[5]	Number of shares under option[1,2,3,4]	Number of shares under option lapsed during the year	Number of shares under option exercised during the year	Number of shares under option held as at 31 December 2022	Earliest exercise date	Latest exercise date
Andrew Formica	2019	462,107	£3.52	–	–	–	–	322,089	–	153,307	22 March 2024	22 Sept 2024
	2020	629,572	£3.11	–	–	–	–	–	–	690,537[6]	5 March 2025	5 Sept 2025
	2021	650,395	£2.82	–	–	–	–	–	–	717,717	9 March 2026	9 Sept 2026
	2022	–	–	3 March 2022	£1,706,250	£2.04	834,488	–	–	927,229	3 March 2027	3 Sept 2027
Matthew Beesley	2022	–	–	3 March 2022	£500,000	£2.04	244,539	–	–	271,715	3 March 2027	3 Sept 2027
Wayne Mepham	2020	249,060	£3.11	–	–	–	–	–	–	273,177[6]	5 March 2025	5 Sept 2025
	2021	270,164	£2.82	–	–	–	–	–	–	298,128	9 March 2026	9 Sept 2026
	2022	–	–	3 March 2022	£742,500	£2.04	363,140	–	–	403,497	3 March 2027	3 Sept 2027

1. Outstanding share awards granted in 2020 and 2021 were adjusted by 4.35% as a result of the 14 May 2021 Final and Special Dividend.
2. Outstanding share awards granted in 2020 and 2021 were adjusted by 2.95% as a result of the 1 September 2021 Interim Dividend.
3. Outstanding share awards granted in 2020, 2021 and 2022 were adjusted by 4.6% as a result of the 20 May 2022 Final Dividend.
4. Outstanding share awards granted in 2020, 2021 and 2022 were adjusted by 6.5% as a result of the 31 August 2022 Interim Dividend.
5. Average closing share price from three trading days prior to date of grant.
6. The 2020 LTIP shares under option have not been adjusted for the performance conditions as at 31 December 2022.

Key terms:

- Performance conditions for LTIP awards granted in 2019 and 2020 are: 50% EPS growth and 50% investment outperformance.
- Performance conditions for LTIP awards granted in 2021 and 2022 are: 40% EPS growth, 30% investment outperformance and 30% net flows.
- The targets and vesting schedule for EPS for awards granted in 2019 and 2020 are as follows: less than 5% EPS growth over the performance period, 0% vesting; 25% EPS growth or above over the performance period, 100% vesting; any other EPS growth percentage is subject to a sliding scale between 0% and 100%.
- The targets and vesting schedule for investment outperformance for awards granted in 2019 and 2020 are as follows: less than 50% of funds (weighted by AUM) achieving median/benchmark performance, 0% vesting; 50% of funds (weighted by AUM) achieving median/benchmark performance, 25% vesting; 80% or above of funds (weighted by AUM) achieving median/benchmark performance, 100% vesting; any other percentage of funds (weighted by AUM) achieving median/benchmark performance, a sliding scale in between the relevant percentages.
- The targets and vesting schedule for EPS for awards granted in 2021 and 2022 are as follows: less than 5% EPS growth over the performance period, 0% vesting; 25% EPS growth or above over the performance period, 100% vesting; any other EPS growth percentage is subject to a sliding scale between 0% and 100%.
- The targets and vesting schedule for investment outperformance for awards granted in 2021 and 2022 are as follows: less than 50% of funds (weighted by AUM) achieving median/benchmark performance, 0% vesting; 50% of funds (weighted by AUM) achieving median/benchmark performance, 25% vesting; 80% or above of funds (weighted by AUM) achieving median/benchmark performance, 100% vesting; any other percentage of funds (weighted by AUM) achieving median/benchmark performance, a sliding scale in between the relevant percentages.
- The targets and vesting schedule for net flows for awards granted in 2021 and 2022 are as follows: less than £1.5bn over the performance period, 0% vesting; £4.5bn or more over the performance period, 100% vesting; any other net flows between £1.5bn and £4.5bn is subject to a sliding scale between 25% and 100%.
- These performance conditions are measured over the period 1 January in the year of grant to 31 December in the year prior to vesting. Awards are subject to a two-year post-vesting holding period.
- Malus and clawback provisions may apply (see the Remuneration Policy table for further details).

Share Incentive Plan

	Shares held at start of year		Shares acquired/forfeited during the year					Shares held at end of year	
	Number of shares subject to award as at 1 January 2022	Market value per share at award[1]	Award date	Face value at award	Price used to determine number of shares[1]	Number of shares awarded during the year	Number of shares forfeited during the year	Number of shares subject to award as at 31 December 2022	Earliest vesting date
Andrew Formica	473	£3.80	–	–	–	–	–	473	4 April 2022
	498	£3.62	–	–	–	–	–	498	7 May 2022
	1,007	£1.99	–	–	–	–	–	1,007	1 April 2023
	716	£2.79	–	–	–	–	–	716	1 April 2024
			1 April 2022	£2,000	£2.09	957	–	957	1 April 2025
			4 April 2022	£1,800	£2.11	854	–	854	4 April 2025
			4 May 2022	£1,800	£1.80	1,001	–	1,001	4 May 2025
			4 July 2022	£1.42	£1.42	1	–	1	4 July 2025
Wayne Mepham	1,007	£1.99	–	–	–	–	–	1,007	1 April 2023
	716	£2.79	–	–	–	–	–	716	1 April 2024
			1 April 2022	£2,000	£2.09	957	–	957	1 April 2025
Matthew Beesley			1 April 2022	£2,000	£2.09	957	–	957	1 April 2025
			4 May 2022	£150	£1.80	83	–	83	4 May 2025
			6 June 2022	£150	£1.78	84	–	84	6 June 2025
			4 July 2022	£150	£1.41	107	–	107	4 July 2025
			4 Aug 2022	£150	£1.28	117	–	117	4 Aug 2025
			6 Sept 2022	£1,200	£0.96	1,248	–	1,248	6 Sept 2025

1. Market price on the date of purchase of SIP shares.

Sharesave – options over Jupiter shares

		Options held at start of year		Options granted during the year				Options lapsed during the year	Options held at end of year		
Director	Year granted	Number of shares under option as at 1 January 2022	Market value per share at date of grant	Grant date	Face value at award	Price used to determine number of shares[1]	Number of shares under option	Number of shares under option lapsed during the year	Number of shares under option held as at 31 December 2022	Earliest exercise date	Latest exercise date
Andrew Formica	2020	10,909	£1.65	–	–	–	–	10,909	–	1 Dec 2023	31 May 2024
Matthew Beesley	2022			22 Sept 2022	£18,000	£0.79	22,727	–	22,727	1 Dec 2025	31 May 2026
Wayne Mepham	2020	18,181	£1.65	–	–	–	–	18,181	–	1 Dec 2025	31 May 2026
	2022			22 Sept 2022	£18,000	£0.79	22,727	–	22,727	1 Dec 2025	31 May 2026

1. Sharesave is an all-employee share plan operated in line with applicable tax legislation. Average closing share price from three trading days prior to date of grant, discounted by 20% in line with the Sharesave rules applicable to all eligible employees.

Risk and reward at Jupiter

Discussion

The Committee gives careful consideration to the linkage between risk and reward to ensure the desired behaviours and culture are being rewarded. This includes ensuring the reward structures are consistent with and promote sound and effective risk management, and ensuring remuneration outcomes appropriately reflect the risk profile and behaviours of the Group and each individual. This is demonstrated through a variety of reward features and processes that ensure alignment to risk considerations throughout the organisation. For example:

- When assessing the overall variable compensation spend as described on page 124, the Committee considers a number of checkpoints, as described in the checkpoints chart below.
- For all employees there is consideration of conduct and performance against risk and compliance criteria, ensuring there is risk adjustment at an individual level.
- Assessment of individual performance includes consideration of financial and non-financial metrics. This ensures that the way in which performance has been achieved is taken into account, for example, in terms of risk and repeatability.
- All employees with bonuses of over £50,000 have a portion of bonus deferred into shares and/or fund units. In total approximately one quarter of employees are subject to some kind of deferral, ensuring their interests are aligned with the long-term success of the Group and with the interests of clients.
- Shareholding requirements apply to Executive Directors, further enhancing the link to the Group's long-term success.
- For Executive Directors all variable remuneration is subject to malus and clawback provisions, whereby incentive awards may be reduced, withheld or reclaimed in certain circumstances, including where there has been a material failure of risk management.

In addition to the Audit and Risk Committee feeding into the process, the Risk and Compliance teams prepare a report to the Committee, setting out thoughts and assurances around how the remuneration structures and processes support sound and effective risk management. This is also considered by the Chair of the Audit and Risk Committee.

Checkpoints

Capital base and liquidity: Can Jupiter afford the proposed variable compensation spend?

- Is there sufficient liquidity to make payments?
- Consider impact on Jupiter's capital base.

Request and consider input from the CFO.

Underlying financial performance: Does Jupiter's underlying financial performance support the proposed variable compensation spend?

- Consider performance against financial KPIs listed in the Annual Report.
- Is there any reason to believe the financial results are not a fair reflection of underlying performance?

Request and consider input from the Audit and Risk Committee.

Risk: Does Jupiter's risk profile and risk management support the variable compensation spend? Are any adjustments required?

- Consideration of the ERMF report.
- Are all risks being suitably monitored and managed? Have there been any material failures of risk management (or any near misses) in the year?
- Consider whether profit reflects current and future risks and timing and likelihood of future revenues.

Request and consider input from the Risk and Compliance teams and the Audit and Risk Committee.

Compliance: Have there been any material compliance breaches in the year?

- Are any adjustments required?
- Consideration of any significant compliance breaches and/or near misses.
- Consideration of any fines received in the year and any ongoing regulatory investigations.

Request and consider input from the Risk and Compliance teams.

Commercial: Are there any commercial drivers to support adjustments to the variable compensation spend?

- Consider the market for talent and whether the spend would likely result in any significant over/underpayment against the market.

Reputational: Are there any reputational drivers to support adjustments to the variable compensation spend?

- Has there been any reputational damage to the Group in the year?
- Will the proposed variable compensation pool quantum have any adverse reputational impact on the Group?

Variable compensation spend and total compensation ratio approval.

Compliance statement

This Remuneration Report was prepared in accordance with the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013. This report contains both audited and non-audited information. The information subject to audit is set out in the Annual Report on Remuneration and is amended accordingly.

During the year Jupiter has been subject to a number of regulations including IFPR, AIFMD and UCITS V. The Committee fulfils all of its requirements under these regulations and ensures that the Remuneration Policy adheres to their principles. The Group has followed the requirements of the UK Corporate Governance Code with the exception of provision 32 for part of the year. Further information can be found on page 76.

Dilution

Our policy regarding dilution from employee share awards is to ensure that dilution will be no more than 10% in any rolling 10-year period and no more than 5% from employee share awards granted to Executive Directors of the Company in any rolling 10-year period.

As at 31 December 2022, share awards granted under the DBP, LTIP and Sharesave in the ten and a half years since Jupiter's Listing were outstanding over 37.2m shares (including 4.8m granted to Executive Directors). This represented 6.8% (0.9% to Executive Directors) of the Company's issued share capital.

Our current intention is to settle all share awards outstanding as at 31 December 2022 with market-purchased shares and our ongoing practice is to purchase shares in the market to settle obligations. No new shares have been issued since listing in 2010 in settlement of share awards to employees. Therefore, we are currently operating within the relevant dilution targets by a comfortable margin.

Notwithstanding the target outlined above, as a business exposed to both market shocks and critical people issues, we believe we should retain flexibility to act very quickly to take steps that could increase dilution up to a maximum of 15% on a temporary and short-term basis, if the Remuneration Committee and Board believe it is clearly in shareholders' interests to do so.

If dilution were to exceed 10% in any rolling 10-year period, this would be on an exceptional basis and for a short time period. The Directors' Remuneration Report for the relevant year would also contain the necessary justifications for such an outcome. The Remuneration Committee and Board would ensure that dilution levels returned to within the 10% level in any rolling 10-year period as soon as practicable thereafter.

Jupiter's total shareholder return compared against total shareholder return of FTSE 250 and FTSE 350 Investment Banking and Brokerage Services indices since December 2012

The chart below shows the Company's share price performance (based on total shareholder return, with dividends reinvested net of tax) in the 10-year period to 31 December, compared with the movement of the FTSE 250 Index and the FTSE 350 Investment Banking and Brokerage Services Index. These two indices were chosen as the Company is in the FTSE 250 and the FTSE 350 Investment Banking and Brokerage Services Index includes UK-listed financial stocks, including asset managers.

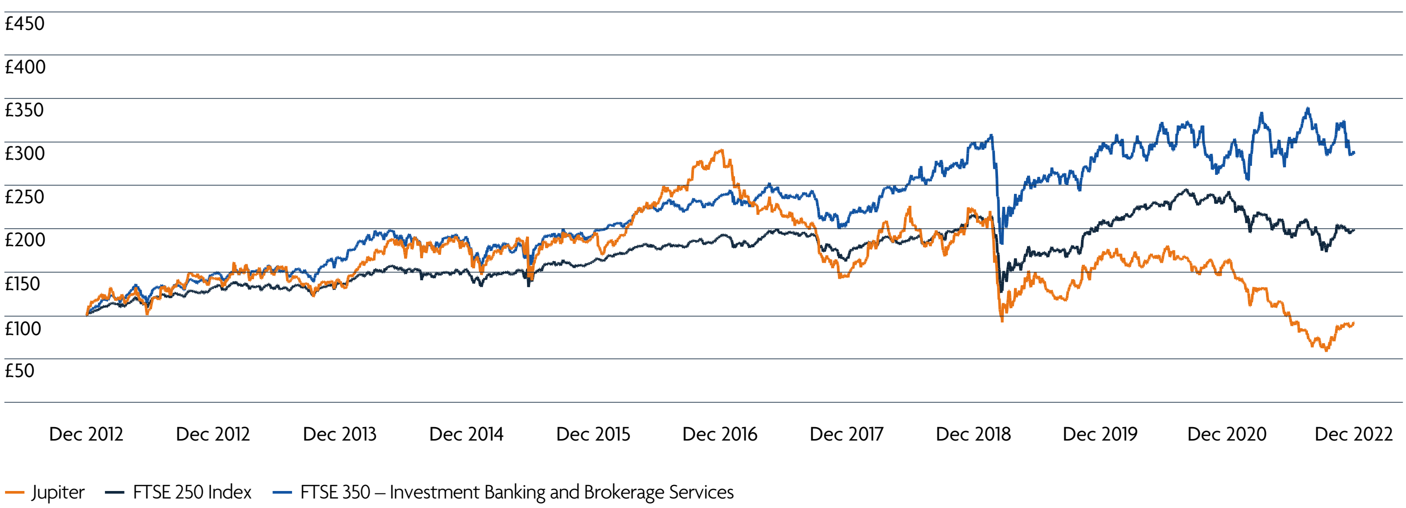


Table of historic levels of CEO pay

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
CEO single figure of total remuneration (£'000)	1,135[9]	2,490	1,759	1,764[2]	2,014	3,546	2,437	2,716	2,301[1]	1,789
CEO bonus as a percentage of maximum potential[3]	39%[9]	85%	64%	56%[2]	55%	N/A	N/A	N/A	N/A	N/A
Long-term incentive vesting rates against maximum opportunity[4]	0%[10]	30%[8]	N/A[7]	32%	43%	74%[6]	44%[5]	71%	46%	N/A

1. Calculated as Edward Bonham Carter's remuneration to 17 March 2014 and Maarten Slendebroek's from 17 March 2014 when he took on the role of CEO, plus the value of Edward Bonham Carter's LTIP award vesting based on performance to 31 December 2014.
2. Calculated as Maarten Slendebroek's remuneration to 28 February 2019 and Andrew Formica's from 1 March 2019 when he took on the role of CEO, plus the value of Maarten Slendebroek's pro-rated LTIP award vesting based on performance conditions tested to 31 December 2019. Restated based on the share price on the 2017 LTIP vesting date 29 March 2020 of £1.94.
3. Jupiter's Remuneration Policy for the period from 2013 to 2017 did not include individual maximum bonuses, therefore a percentage is not provided for these years.
4. No LTIP awards vested in 2013 as the first LTIP awards granted to the CEO after listing were in 2012.
5. Maarten Slendebroek has two separate LTIP awards included in the 2016 single figure, both of which had performance periods ending during that financial year. The 44% vesting is a weighted average of the vesting outcomes for both awards combined.
6. Maarten Slendebroek has two separate LTIP awards included in the 2017 single figure, both of which had performance periods ending during that financial year. The 74% vesting is a weighted average of the vesting outcomes for both awards combined.
7. Andrew Formica did not have an LTIP award with performance conditions ending in the 2020 performance year, therefore there is no LTIP vesting percentage available for 2020.
8. Andrew Formica's 2019 LTIP award vested on 22 March 2022 at 30.3% which was subject to two equally weighted performance conditions measured to 31 December 2021.
9. Calculated as Andrew Formica's remuneration to 30 September 2022 when he stepped down as CEO, plus the value of Matthew Beesley's remuneration from 1 October 2022 when he became CEO.
10. Andrew Formica's 2020 LTIP award due to vest on 5 March 2023 subject to two equally weighted performance conditions measured to 31 December 2022.

CEO pay ratio

Year	Method	25th Percentile	Median	75th Percentile
2019	Option A	27:1	18:1	11:1
2020	Option A	23:1	16:1	9:1
2021	Option A	34:1	22:1	11:1
2022	Option A	14:1	9:1	6:1

The Company has chosen to use Option A as the methodology for calculating the pay and benefits of all UK employees, as this is consistent with the approach that must be used for the CEO single figure. It therefore allows a like-for-like comparison to take place between the pay data of the CEO and employees at the lower, median and upper quartiles, as well as a more accurate analysis of the resulting ratios. For the purpose of this disclosure, the Company has chosen 31 December 2022 as the reference date on which the pay for all employees in employment as at 1 October 2022 was calculated, consistent with our approach taken in prior years.

	25th Percentile	Median	75th Percentile
CEO single figure (£'000)[1]		1,135	
Employee single figure (£'000)	80	124	201
Employee single figure salary component (£'000)	53	75	119

1. Due to the significant reduction in the level of variable remuneration received by the CEO in 2022, the CEO pay ratio for 2022 is commensurately lower. This reflects the material weighting of the CEO's remuneration package towards variable remuneration and the strong alignment of performance and reward for this role.

Jupiter operates consistent reward policies across its UK workforce, with the exception of any variation required by regulation, legislation or corporate governance. Remuneration requirements that are considered more onerous are limited only to those individuals to whom the relevant rules apply. Notwithstanding this, the Committee recognises that the CEO pay ratio will fluctuate from year to year as it is dependent on a number of factors, some of which are out of the Committee's control, for example movements in share price which affect the value of deferred share-based compensation with performance conditions. The Committee therefore does not target a specific pay ratio, but will consider any movement in the ratio year-on-year when assessing the balance of remuneration for all other employees relative to maintaining a competitive remuneration package for the CEO.

Change in Board Directors' pay vs employees

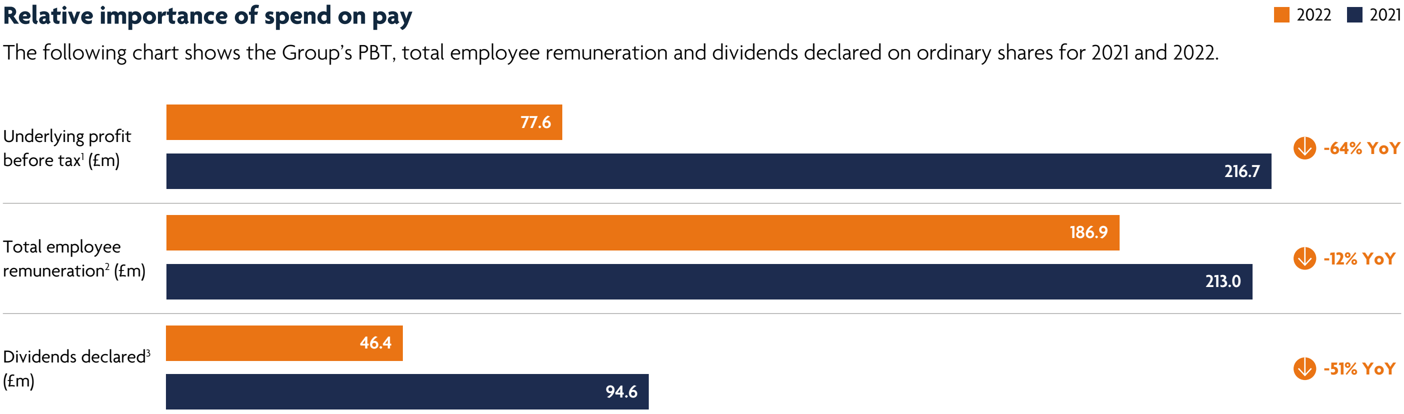
The following table sets out the percentage change in remuneration from FY21 to FY22 paid to each Director (plus the prior years comparative), as well as the average percentage change for employees. Jupiter Fund Management plc only employs the CEO and CFO; however, data for employees has been calculated looking at all employees for the Jupiter Group as a whole.

	2022			2021			2020		
	% change in salary/fee (2021 to 2022)	**% change in taxable benefits[9] (2021 to 2022)**	**% change in annual bonus (2021 to 2022)**	% change in salary/fee (2020 to 2021)	% change in taxable benefits (2020 to 2021)	% change in annual bonus (2020 to 2021)	% change in salary/fee (2019 to 2020)	% change in taxable benefits (2019 to 2020)	% change in annual bonus (2019 to 2020)
Andrew Formica[1] – CEO	**0%**	**-8%**	**-76%**	0%	9%	32%	2%	14%	16%
Matthew Beesley[2] – CEO	**n/a**	**n/a**	**n/a**	n/a	n/a	n/a	n/a	n/a	n/a
Wayne Mepham – CFO	**0%**	**-8%**	**-56%**	5%	9%	38%	0%	14%	16%
Nichola Pease[3] – Chair	**0%**	**689%**	**n/a**	0%	0%	n/a	n/a	n/a	n/a
Polly Williams[4] – NED, Chair of Audit and Risk Committee	**0%**	**0%**	**n/a**	0%	0%	n/a	2%	-100%	n/a
Roger Yates[5] – NED, Chair of Remuneration Committee, SID	**4%**	**0%**	**n/a**	20%	0%	n/a	19%	0%	n/a
Karl Sternberg – NED	**0%**	**0%**	**n/a**	5%	0%	n/a	5%	0%	n/a
Chris Parkin – NED	**0%**	**0%**	**n/a**	0%	0%	n/a	n/a	n/a	n/a
David Cruickshank[6] – NED, Chair of Audit and Risk Committee	**105%**	**0%**	**n/a**	n/a	n/a	n/a	n/a	n/a	n/a
Dale Murray[7] – NED	**200%**	**237%**	**n/a**	n/a	n/a	n/a	n/a	n/a	n/a
Suzy Neubert – NED	**n/a**	**n/a**	**n/a**	n/a	n/a	n/a	n/a	n/a	n/a
Employees of Jupiter Group[8]	**11%**	**-8%**	**4%**	4%	9%	22%	4%	12%	15%

1. The salary, benefits and bonus for Andrew Formica have been annualised for 2022 to reflect their full year equivalent amounts had he remained in his role. Andrew stepped down from the Board on 30 September 2022.
2. Matthew Beesley joined the Board in 2022, therefore prior year comparative data is not available for him.
3. The change in taxable benefits for Nichola Pease represent total expenses of £169 in 2021 and £1,340 in 2022.
4. The fees data for Polly Williams has been annualised for 2022 to reflect her full year equivalent amount had she remained serving on the Board in her role. Polly stepped down from the Board on 11 May 2022.
5. The fee increase for Roger Yates represents the increase received in conjunction with his appointment as Senior Independent Director on 6 May 2021.
6. The fee increase for David Cruickshank represents the increase received in conjunction with his appointment as Chair of the Audit and Risk Committee on 11 May 2022.
7. The fee for Dale Murray is higher than the previous year due to her joining the Board in 2021.
8. For salary: calculated using the average of all salary percentage changes from 2021 to 2022 for all eligible employees of the Jupiter Group as part of the annual compensation review process. For benefits: calculated using the percentage increase in the premium for private medical and dental insurance year-on-year paid by the Company. For annual bonus: calculated using the average of all full year equivalent discretionary annual bonus percentage changes from 2021 to 2022 for all eligible employees of the Jupiter Group as part of the annual compensation review process.
9. Benefits for Executive Directors and all other employees only includes private medical and dental insurance premiums. Benefits for Non-Executive Directors comprise reasonable taxable business expenses incurred in the performance of duties and the payment of any tax arising, as reported in the table on page 125. The quantums involved are often de minimis, but small changes can result in large percentage fluctuations shown in the table above.

Relative importance of spend on pay

The following chart shows the Group's PBT, total employee remuneration and dividends declared on ordinary shares for 2021 and 2022.



1. Stated before exceptional items (see APMs on page 195).
2. Being fixed staff costs before exceptional items plus variable staff costs before exceptional items (see page 25 and 26).
3. Dividends are proposed for 2022.

Some of the total employee remuneration costs can be attributed to the 2022 redundancy programme as these costs have not been classified as exceptional items in line with our commitment that these costs would no longer be classified as such in the medium term. We are carefully balancing cost management with the need to invest in talent by ensuring that our reward packages are competitive and supporting the retention of existing talent, which has also resulted in some increases for 2022.

Our fixed staff costs increased from £73.0m in 2021 to £82.4m in 2022, of which £4.1m relates to the redundancy programme.

Variable staff costs before performance fee-related costs and exceptional items decreased from £79.1m to £70.6m and included £1.9m of costs relating to the redundancy programme. The decrease is broadly in line with the decrease in net revenue of the Group (before performance fees), adjusted for the impact of deferred compensation costs from previous years that are required to be accounted for in the current period. Other factors driving the decrease in the Group's variable compensation include the movements in Jupiter's share price, resulting in lower national insurance charges, and the UK Government's decision to reverse the previously announced increase in the UK rate of national insurance contributions from April 2022.

Shareholder voting

The following table sets out the voting outcomes in respect of the most recent AGM votes on the Annual Report on Remuneration and the Directors' Remuneration Policy, held on 11 May 2022 and 6 May 2021 respectively.

	For	Percentage of total votes cast	Against	Percentage of total votes cast	Withheld
Directors' Remuneration Policy at 2021 AGM	434,297,136	95.62	19,898,592	4.38	701,578
Annual Report on Remuneration at 2022 AGM	430,689,519	95.48	20,370,155	4.52	60,101

Advisers

In September 2017, the Remuneration Committee conducted a review of the appointment of its independent advisers. The process included a series of interviews with the Committee Chair and members of the Committee. As a result of that review, Deloitte LLP were confirmed as advisers to the Committee and a new team was appointed.

The Committee has formally reviewed the work undertaken by Deloitte and is satisfied that the advice they have received has been objective and independent. Deloitte are founder members of the Remuneration Consultants Group and abide by its code of conduct in relation to executive remuneration consulting in the UK. Fees paid to Deloitte for executive remuneration consulting were £45,250 in 2022, determined on a time-spent basis. Deloitte also provided advice to the Company relating to incentive plans, tax and regulatory matters during the year. The Remuneration Committee does not consider that the other advice provided has any impact on Deloitte's independence as advisers to the Remuneration Committee.

On behalf of the Board

ROGER YATES
Chair of the Remuneration Committee

23 February 2023

DIRECTORS' REPORT

The Directors present their report and the Group's audited Financial Statements for the year ended 31 December 2022.

Business performance

Principal activities	The Company's principal activity is to act as a holding company for a group of investment management companies. Our business model is based on helping clients achieve their long-term investment objectives, by creating value through our investment performance and stewardship of the funds we manage and the effective distribution thereof. Our business model is explained in the Strategic report. The Group operates principally in the United Kingdom with international operating subsidiaries in Ireland, Hong Kong, Singapore, the United States, Switzerland and Luxembourg, which has branches across Europe. The Company is incorporated with Company Number 6150195 and is domiciled in England and Wales.
Development and performance	Commentary on the development and performance in the year ended 31 December 2022, and likely future developments in the Group's business, is included in the Strategic report on pages 1 to 73.
Financial risk	Descriptions of the Group's financial risk management objectives and policies, and its exposure to risks arising from its use of financial instruments, are set out in Note 25 to the Financial Statements on pages 168 to 172.
Directors' remuneration	Information concerning Directors' contractual arrangements and entitlements under share-based remuneration arrangements is given in the Remuneration report on pages 112 to 133.
Environmental performance	The Group's environmental performance data, including the absolute Scope 1 and 2 emissions for 2022, can be found in the Corporate Responsibility section of the Strategic report on page 39 and the Group's TCFD report on pages 46 to 50.
Employees in the business	Information concerning the involvement of employees in the business is also given in the Strategic report on page 52 and on pages 56 to 62.
Stakeholder interests	How we consider stakeholder interests, including our s.172 statement, can be found on pages 88 to 89, and our engagement practices can be found on pages 52 to 53.
Important events affecting the Company since the end of the year	There have been no important events affecting the Company since the end of the year.

Listing Rules and Disclosure Guidance and Transparency Rules Disclosures

DTR 4.1.5R, DTR 4.1.8R and DTR 4.1.11R	Information which is the required content of the Management report can be found in the Strategic report and in this Directors' report.

LR 9.8.4 R

Information	Location
Interest capitalised	Not applicable
Shareholder waiver of dividends	Note 22
Shareholder waiver of future dividends	Note 22
Agreements with controlling shareholders	Not applicable
Provision of services by a controlling shareholder	Not applicable
Details of long-term incentive schemes	Remuneration Report and Note 5
Waiver of emoluments by a Director	Not applicable
Waiver of future emoluments by a Director	Not applicable
Significant contracts	Page 143
Non pre-emptive issues of equity for cash	Not applicable
Non pre-emptive issues of equity for cash in relation to major subsidiary	Not applicable
Participation by parent of a placing by a listed subsidiary	Not applicable
Publication of unaudited financial information	Page 194

Listing Rules and Disclosure Guidance and Transparency Rules Disclosures continued

Compliance statement – DTR 7.2	This statement has been provided by the Chair in her introduction to the Governance section on page 76 and is deemed to form part of this Directors' report.
Internal control and risk management systems – DTR 7.2.5	A description of the Company's financial reporting, internal control and risk management processes can be found on pages 66 to 73.
Structure of capital and voting rights – DTR 7.2.6	As at 22 February 2023, there were 544,979,510 fully paid ordinary shares of 2p, amounting to £10,899,590.20. Each share in issue is listed on the Official List maintained by the FCA in its capacity as the UK Listing Authority. The Company has one class of ordinary shares which carry the right to attend, speak and vote at general meetings of the Company. The holders of ordinary shares have the right to participate in dividends and other distributions according to their respective rights and interests in the profits of the Company and a return of capital on a winding up of the Company. Full details regarding the exercise of voting rights in respect of the resolutions to be considered at the AGM to be held on 10 May 2023 are set out in the Notice of Annual General Meeting. To be valid, the appointment of a proxy to vote at a general meeting must be received not less than 48 hours before the time appointed for holding the meeting. Full details on how to submit the proxy can be found in the AGM Notice.

Shares and Shareholders

Annual General Meeting	The AGM will take place on 10 May 2023. The Notice of the AGM will be circulated to all shareholders at least 20 working days before the meeting and the details of the resolutions to be proposed will be set out in that Notice. This document will be available on the Company's website at www.jupiteram.com.
Dividends	The Directors have recommended a final dividend in respect of the year ended 31 December 2022 of 0.5 pence per ordinary share (2021: 9.2 pence per ordinary share). Payment of this dividend is subject to approval by shareholders at the AGM and if approved will be paid on 19 May 2023 to shareholders on the register at the close of business on 21 April 2023.
Share buyback programme	At the 2022 AGM, the Company was authorised to make market purchases of up to 55,306,074 of its own shares (i.e. £1,106,121 in nominal value), representing approximately 10% of its issued share capital as at 16 March 2022. On 20 October 2022 the Company announced the commencement of a share buyback programme to purchase ordinary shares of 2 pence each in the Company (Ordinary Shares) for up to a maximum consideration of £10m (the Programme). The purpose of the Programme was to reduce the share capital of the Company, and therefore all Ordinary Shares purchased by the Company were cancelled. The Programme was completed on 20 January 2023. A total of 8,081,231 ordinary shares were purchased under the Programme at a weighted average price of £1.237435 per share. A further £16m share repurchase programme has been announced and, subject to the relevant approvals at the AGM, will commence later in 2023.
Shares held in employee benefit trusts	Under the rules of the SIP, which was introduced in 2013, eligible employees are entitled to acquire ordinary shares in the Company. The SIP shares are held in trust for participants by Solium Trustee (UK) Limited (the SIP Trustee). Voting rights are exercised by the SIP Trustee on receipt of participants' instructions. If a participant does not submit an instruction to the SIP Trustee, no vote is registered. In addition, the SIP Trustees do not vote on any unallocated shares held in trust. As at 22 February 2023, the SIP Trustee held 0.48% of the Company's issued share capital. JTC Employer Solutions Trustee Limited, as trustee of the Jupiter EBT (the EBT Trustee), holds ordinary shares in trust for the benefit of the Group's employees. Where the EBT Trustee has allocated shares held in the trust in respect of specific awards granted under the Jupiter employee share plan, the holders of such awards may recommend to the EBT Trustee how it should exercise voting rights relating to such shares. To the extent that a participant does not make such recommendations, no vote is registered. In addition, the EBT Trustee does not vote on any unallocated shares held in the trust. As at 22 February 2023, the EBT Trustee held 3.76% of the Company's issued share capital.
CREST	The Company's ordinary shares are in CREST, the settlement system for stocks and shares traded on the London Stock Exchange.

Shares and Shareholders continued

Restrictions on transfer of shares	TA Associates (TA) entered a lock-up agreement with the Company in respect of the shares issued as part of the Merian acquisition (Consideration Shares). Whilst the lock-up agreement with TA has now expired there are restrictions in place which prevent, without prior permission, TA disposing of, in any rolling three-month period, such number of Consideration Shares equal to or more than 5% of the total number of Ordinary Shares in issue at such time and from disposing of, in any rolling six-month period, such number of Consideration Shares equal to more than 7.5% of the total number of Ordinary Shares in issue at such time. Under the terms of the Merian acquisition certain key Merian Management shareholders were allotted 11,245,547 shares. There are lock-up agreements in place over these shares which prevent key Merian Management shareholders of disposing of more than 25% of their respective shares for a period of three years from 1 July 2020, subject to certain exemptions.
Substantial share interests	As at 31 December 2022, the Company had been notified of the following voting interests in the ordinary share capital of the Company in accordance with DTR 5 of the FCA's Disclosure Guidance and Transparency Rules. Percentages are shown as notified, calculated with reference to the Company's disclosed share capital as at the date of the movement triggering the notification.

Name	Number of shares notified to the Company	Percentage interest%
Silchester International Investors LLP	99,670,631	18.02%
TA Associates	84,115,278	15.21%
BlackRock Inc	29,425,918	5.31%
M&G plc	25,496,212	4.61%
JTC Employer Solutions Trustee Ltd	22,077,480	3.99%

No notifications have been disclosed to the Company in accordance with DTR 5 during the period 1 January 2023 to 22 February 2023.

Directors

Board of Directors	During the year, Suzy Neubert was appointed to the Board as a Non-Executive Director on 1 March 2022 and Polly Williams stepped down from the Board at the Company's AGM held on 11 May 2022. Matthew Beesley was appointed to the Board with effect from 28 June 2022, and appointed CEO on 1 October 2022, following Andrew Formica's resignation with effect from the same date. There have been no further Board changes up until the date of this report. Chris Parkin will step down as a Director from the conclusion of the 2023 AGM. The Directors of the Company who were in office during the year and up to the date of signing the financial statements were: • Matthew Beesley (appointed 28 June 2022) • David Cruickshank • Andrew Formica (to 1 October 2022) • Wayne Mepham • Dale Murray • Suzy Neubert (appointed 1 March 2022) • Chris Parkin • Nichola Pease • Karl Sternberg • Polly Williams (to 11 May 2022) • Roger Yates
Directors' interests	The Directors' interests in the Company's shares are set out in the Remuneration report on page 129. No Director had a material interest in any significant contract (other than a service contract or contract for services) with the Company at any time during the year. The Directors are advised of their statutory duty to avoid conflicts of interest with the interests of the Company. All actual and potential conflicts are brought to the attention of the Board. The operation of the Company's policy on conflicts of interest is described in the Governance section on page 97. The rights and obligations attaching to the Company's ordinary shares, as well as the powers of the Company's Directors, are set out in detail in the Company's Articles of Association, which are made available for inspection by the Company's shareholders at the AGM and are available on our website www.jupiteram.com.

Directors continued

Appointment and replacement of Directors	The Company's Articles of Association provide that Directors may be appointed by the Company by ordinary resolution or by the Board. If appointed by the Board, a Director holds office only until the next AGM. In accordance with the Company's Articles of Association and the Code's requirements, all serving Directors offer themselves for election or re-election at the AGM in 2023. As part of the acquisition of Merian, TA Associates were issued 84,115,278 ordinary shares in the Company, representing 15.21% of the issued share capital. Under the terms of the transaction, TA Associates retain the right to appoint a Non-Executive Director to the Board, for so long as they own 10% or more of the Company's issued share capital. We have been notified that TA Associates intend to waive this right following the conclusion of the 2023 AGM, when Chris Parkin steps down from the Board. In addition to any powers under the Companies Act 2006 (the Act) to remove Directors from office, the Company may, by passing an ordinary resolution, remove any Director from the Board before the expiration of his or her period in office. The Company may, subject to the Articles of Association, appoint by ordinary resolution another person who is willing to be a Director in his or her place. The Company's Articles of Association may be amended by special resolution of the shareholders.
Powers of the Directors	The Directors manage the Company under the powers set out in the Company's Articles of Association. These powers include the Directors' ability to issue or buy back shares. An ordinary resolution was passed at the AGM on 11 May 2022, authorising the Directors to allot new ordinary shares up to an aggregate nominal amount of £3,687,071, representing approximately one third of the Company's issued share capital. The Directors intend to seek shareholders' approval for the renewal of this authority at the AGM, to allot and grant rights to subscribe for ordinary shares up to an aggregate nominal amount of £3,633,196, representing approximately one third of the Company's issued share capital as at 22 February 2023. If approved, this authority will expire on 30 June 2024 or, if earlier, at the conclusion of the AGM in 2024. At the AGM in 2022, shareholders approved a resolution authorising the Company to make purchases of its own shares, see share buyback programme on page 140. A special resolution will be proposed at the AGM to renew the Company's limited authority to purchase its own ordinary shares. The authority will be limited to a maximum of 27,248,975 ordinary shares (approximately 5% of the Company's issued share capital as at 22 February 2023) and will set out the minimum and maximum prices which the Company may pay for any such purchase. If approved, this authority will expire on 30 June 2024 or, if earlier, at the conclusion of the AGM in 2024.
Change of control	The Company does not have agreements with any Director or employee that would provide compensation for loss of office or employment resulting from a change of control following a takeover bid, except that provisions of the Company's share schemes may cause options and awards granted under such schemes to vest in those circumstances.
Directors' indemnities	The Company's Articles of Association permit the provision of indemnities to the Directors. In accordance with the Articles of Association, the Company has entered into a deed of indemnity in favour of each Director (which is a qualifying third-party indemnity provision under the Act) pursuant to which the Director has been granted the right to indemnification as permitted under the Act. These arrangements were in place throughout the year and up to the date of approval of this report and applied to the current and previous Directors. In addition, during the year the Company has maintained Directors' and Officers' liability insurance cover for Directors.
Directors' service agreements	Each Executive Director, at the time of this report, has a written service agreement. This may be terminated by either party on not less than 12 months' notice in writing for the CEO and on not less than 6 months' notice in writing for the CFO.
Non-Executive Directors' letters of appointment	The letters of appointment of the Non-Executive Directors are issued for an initial period of three years, which may be renewed for further terms as appropriate. All appointments are subject to a review by the Nomination Committee upon the third anniversary and on extension a further review is undertaken at the sixth anniversary at which the Board's succession plans and the need to refresh the Board's skills and experiences are carefully considered. The role and responsibilities of each Director are clearly set out and include the duties of a Director as provided in the Act. It is made clear that these duties do not include any management function but an indication that the Director is expected to support and challenge management and help in the development of the Group's strategy. Three months' notice in writing is required to be served by either party to terminate the appointment. The Non-Executive Directors' letters of appointment are available for inspection at the Company's registered office during normal business hours and at the AGM (for 15 minutes prior to, and during, the Meeting).
Compensation for loss of office	With reference to Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (paragraph 13(2)(k)), there are no agreements in place between the Company and any Director or employee for loss of office in the event of a takeover.

Stakeholders

Supplier oversight and significant contracts	Jupiter has seven significant oversight relationships: • SS&C Technologies – Transfer Agent for unit trusts and OEICs • JPMorgan – Company Secretarial and Administrator for Investment Trusts • Northern Trust – Custody, Fund Administration & Depositary for unit trusts. • IHS Markit – Enterprise Data Management (EDM) software • BlackRock – Trading, Portfolio Management and Risk Reporting system for all funds • Citi – Depositary, Fund Administration and Prime Brokerage • Maitland – Fund administrator for an Investment Trust These organisations' activities are defined in service level agreements that are closely monitored to ensure that service delivery standards are met. Jupiter's procurement and supplier management function, together with operations, oversee a suite of agreed activities, including: • formal meeting governance • the review of KPIs • reviews by Jupiter's assurance functions (including Service Delivery, Business Continuity, IT Security, Enterprise Risk, Compliance and Internal Audit where appropriate) • review of key reports (including controls assurance reports and financial statements) A rotation of site visits has commenced again, following the Covid-19 pandemic. These site visits, undertaken by the operations team, supplement the ongoing due diligence as part of our oversight of significant relationships.
Employees	The Group gives full and fair consideration to applications for employment from disabled persons, where a disabled person can adequately fulfil the job's requirements. Where existing employees become disabled, the Group's policy, wherever practicable, is to provide continuing employment under normal terms and conditions and make any required changes to their working environment. The Group provides training, career development and promotion to disabled employees. Further details of the Company's employment procedures and practices are set out in the Strategic report on pages 56 to 63.
Political donations	The Group made no political donations or contributions during the year (2021: £nil).

Auditors and audit

Independent auditors and audit information	PwC were reappointed as external auditors following a tender conducted in 2014. In accordance with the FRC's recommendations as set out in the Code, an external audit tender took place during 2021 and EY will be appointed as the Group's external auditor with effect from the financial year ended 31 December 2023, subject to shareholder approval at the 2023 AGM.

Statements

Directors' responsibility statements	The statement of Directors' responsibility for preparing the Annual Report and Accounts is set out on page 145 and is deemed to form part of the Directors' report. Within this, the Directors have included a statement that the Annual Report and Accounts presents a fair, balanced and understandable assessment of the Group's position and prospects. To help the Board discharge its responsibilities in this area, the Board consulted the Audit and Risk Committee, which advised on the key considerations to comply with best practice and the Code's requirements. Following the Committee's advice, the Board considered and concluded that: • the business model and strategy were clearly described; • the assessment of performance was balanced; • KPIs were used consistently; • the language used was concise, with good linkages to different parts of the document; and • an appropriate forward-looking orientation had been adopted.
Going concern	The Strategic Report discusses the Group's business activities, together with the factors likely to affect its future development, performance and position. In addition, it sets out the Group's financial position, cash flows, liquidity position and borrowing facilities. The financial risk management note to the Financial Statements sets out the Group's objectives, policies and processes for managing capital and its financial risk management objectives, together with details of financial instruments and exposure to credit and liquidity risk. The Group has access to the financial resources required to run the business efficiently and has a strong gross cash position. The Group's forecasts and projections, which are subject to rigorous sensitivity analysis, show that the Group will be able to operate within its available resources for at least 12 months from the date of this report. This has included a detailed focus on the market uncertainty arising from geopolitical events and the potential for multiple risks to occur simultaneously. As a consequence, the Directors consider it appropriate to prepare the annual Financial Statements on a going concern basis of accounting.
Statement of viability	In accordance with Provision 31 of the Code, the Directors have assessed the prospects of the Group over a longer period than the 12 months as required by the Going Concern provision. Details of the assessment can be found in the Financial review on page 29.

By order of the Board

LISA DANIELS
Company Secretary

23 February 2023

DIRECTORS' RESPONSIBILITY AND COMPLIANCE STATEMENTS

Statements relating to the preparation of the Financial Statements

The Directors are responsible for preparing the Annual Report, the Remuneration Report and the Financial Statements in accordance with applicable law and regulations. Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have prepared the Group and Company Financial Statements in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006. Additionally, the Financial Conduct Authority's Disclosure Guidance and Transparency Rules require the Directors to prepare the Group Financial Statements in accordance with UK-adopted International Accounting Standards (IAS) and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The Directors' review of the Financial Statements

The Directors undertook a detailed review of the Financial Statements in February 2023. Following this examination, the Board was satisfied that the Financial Statements for 2022 give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period. Before approving the Financial Statements, the Board satisfied itself that in preparing the statements:

- suitable accounting policies had been selected and consistently applied;
- the judgements and accounting estimates that have been made were reasonable and prudent; and
- where applicable International Accounting Standards in conformity with the requirements of the Companies Act 2006 have been adopted and, for the Group, UK-adopted IAS, have been followed and that there were no material departures.

The Directors' review of going concern

The Financial Statements have been prepared on the going concern basis, the Directors having determined that the Company is likely to continue in business for at least 12 months from the date of this report.

The Directors' review of current position, prospects and risks

Supported by the Audit and Risk Committee, the Directors have completed a robust review and assessment of the principal and emerging risks in the business making use of the ERMF which operates in all areas of the Company. The framework ensures that the relevant risks are identified and managed and that information is shared at an appropriate level. Full details of these risks are provided in the Risk management section of the Strategic report. The ERMF was reviewed by the Board in December. The Directors found it was an effective mechanism through which the principal risks and the Company's risk appetite and tolerances could be tested and challenged.

The Directors' responsibility for accounting records

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the Financial Statements and the Directors' Remuneration Report comply with the Companies Act 2006.

The Directors' responsibility for the safekeeping of assets

The Directors have examined the steps in place for ensuring the prevention and detection of fraud and other irregularities. The procedure is examined and tested on a regular basis. The Board is satisfied it is understood and is operated well, and accordingly that the assets of the Company are safeguarded and protected from fraud and other irregularities.

The Directors' responsibility for information

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Statement of Directors' responsibilities

The Directors consider that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's and Company's position and performance, business model and strategy.

Each of the Directors, whose names and functions are listed in the Directors' profile on pages 77 to 79 confirm that, to the best of their knowledge:

- the Group and Company Financial Statements, which have been prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006, give a true and fair view of the assets, liabilities, financial position and profit of the Group and profit of the Company; and
- the Directors' report contained in the Annual Report and Accounts includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that it faces.

In the case of each Director in office at the date the Directors' report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Group's and Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's and Company's auditors are aware of that information.

On behalf of the Board

WAYNE MEPHAM
Chief Financial Officer
23 February 2023

Consolidated income statement

	Notes	2022 £m	2021 £m
Revenue	1, 2	**443.5**	617.8
Fee and commission expenses	1	**(46.2)**	(49.2)
Net revenue	1	**397.3**	568.6
Administrative expenses	3	**(302.3)**	(353.1)
Other losses	7	**(9.7)**	(4.4)
Amortisation of intangible assets	12	**(21.0)**	(20.6)
Operating profit		**64.3**	190.5
Net finance costs	8	**(6.3)**	(6.8)
Profit before taxation		**58.0**	183.7
Income tax expense	9	**(10.1)**	(34.1)
Profit for the year[1]		**47.9**	149.6
Earnings per share			
Basic	10	**8.9p**	27.6p
Diluted	10	**8.8p**	26.9p

1. Non-controlling interests are presented in the Consolidated statement of changes in equity.

Consolidated statement of comprehensive income

	2022 £m	2021 £m
Profit for the year	**47.9**	149.6
Items that may be reclassified subsequently to profit or loss		
Exchange movements on translation of subsidiary undertakings	**3.4**	(2.5)
Other comprehensive income/(loss) for the year net of tax	**3.4**	(2.5)
Total comprehensive income for the year net of tax	**51.3**	147.1

Consolidated balance sheet

	Notes	2022 £m	2021 £m
Non-current assets			
Goodwill	11	**570.6**	570.6
Intangible assets	12	**35.2**	52.1
Property, plant and equipment	13	**40.9**	44.1
Deferred tax assets	14	**19.4**	27.6
Trade and other receivables	16	**0.4**	0.5
		666.5	694.9
Current assets			
Financial assets at fair value through profit or loss (FVTPL)	15	**167.8**	303.5
Trade and other receivables	16	**124.1**	145.0
Cash and cash equivalents	17	**280.3**	197.3
Current tax asset		**3.3**	–
		575.5	645.8
Total assets		**1,242.0**	1,340.7
Equity			
Share capital	20	**10.9**	11.1
Own share reserve	21	**(0.5)**	(0.4)
Other reserves	21	**250.3**	250.1
Foreign currency translation reserve	21	**3.7**	0.3
Retained earnings	21	**578.9**	639.7
Capital and reserves attributable to owners of Jupiter Fund Management plc		**843.3**	900.8
Non-controlling interests		**0.6**	–
Total equity		**843.9**	900.8
Non-current liabilities			
Loans and borrowings	18	**49.5**	49.3
Trade and other payables	19	**87.5**	102.3
Deferred tax liabilities	14	**6.7**	10.3
		143.7	161.9
Current liabilities			
Financial liabilities at FVTPL	15	**49.2**	52.3
Trade and other payables	19	**205.2**	222.2
Current income tax liability		**–**	3.5
		254.4	278.0
Total liabilities		**398.1**	439.9
Total equity and liabilities		**1,242.0**	1,340.7

The financial statements on pages 146 to 178 were approved by the Board of Directors and authorised for issue on 23 February 2023.
They were signed on its behalf by:

WAYNE MEPHAM
Chief Financial Officer

Consolidated statement of changes in equity

	Share capital £m	Own share reserve £m	Other reserves £m	Foreign currency translation reserve £m	Retained earnings £m	**Total £m**	Non-controlling interests £m	**Total equity £m**
At 1 January 2021	**11.1**	**(0.2)**	**250.1**	**2.8**	**622.5**	**886.3**	**(0.2)**	**886.1**
Profit for the year	**–**	**–**	**–**	**–**	**149.4**	**149.4**	**0.2**	**149.6**
Exchange movements on translation of subsidiary undertakings	–	–	–	(2.5)	–	(2.5)	–	(2.5)
Other comprehensive loss	**–**	**–**	**–**	**(2.5)**	**–**	**(2.5)**	**–**	**(2.5)**
Total comprehensive income	**–**	**–**	**–**	**(2.5)**	**149.4**	**146.9**	**0.2**	**147.1**
Vesting of ordinary shares and options	–	0.1	–	–	–	0.1	–	0.1
Dividends paid	–	–	–	–	(109.8)	(109.8)	–	(109.8)
Purchase of shares by EBT	–	(0.3)	–	–	(48.2)	(48.5)	–	(48.5)
Share-based payments	–	–	–	–	25.5	25.5	–	25.5
Current tax	–	–	–	–	0.1	0.1	–	0.1
Deferred tax	–	–	–	–	0.2	0.2	–	0.2
Total transactions with owners	**–**	**(0.2)**	**–**	**–**	**(132.2)**	**(132.4)**	**–**	**(132.4)**
At 31 December 2021	**11.1**	**(0.4)**	**250.1**	**0.3**	**639.7**	**900.8**	**–**	**900.8**
Profit for the year	**–**	**–**	**–**	**–**	**47.3**	**47.3**	**0.6**	**47.9**
Exchange movements on translation of subsidiary undertakings	–	–	–	3.4	–	3.4	–	3.4
Other comprehensive income	**–**	**–**	**–**	**3.4**	**–**	**3.4**	**–**	**3.4**
Total comprehensive income	**–**	**–**	**–**	**3.4**	**47.3**	**50.7**	**0.6**	**51.3**
Vesting of ordinary shares and options	–	0.1	–	–	(0.1)	–	–	–
Share repurchases and cancellations	(0.2)	–	0.2	–	(10.0)	(10.0)	–	(10.0)
Dividends paid	–	–	–	–	(90.2)	(90.2)	–	(90.2)
Purchase of shares by EBT	–	(0.2)	–	–	(21.2)	(21.4)	–	(21.4)
Share-based payments	–	–	–	–	13.6	13.6	–	13.6
Deferred tax	–	–	–	–	(0.2)	(0.2)	–	(0.2)
Total transactions with owners	**(0.2)**	**(0.1)**	**0.2**	**–**	**(108.1)**	**(108.2)**	**–**	**(108.2)**
At 31 December 2022	**10.9**	**(0.5)**	**250.3**	**3.7**	**578.9**	**843.3**	**0.6**	**843.9**
Notes	20	21	21	21	21			

Consolidated statement of cash flows

	Notes	2022 £m	2021 £m
Cash flows from operating activities			
Cash generated from operations	23	**175.1**	237.5
Income tax paid		**(12.8)**	(48.6)
Net cash inflows from operating activities		**162.3**	188.9
Cash flows from investing activities			
Purchase of property, plant and equipment	13	**(1.2)**	(1.4)
Purchase of intangible assets	12	**(4.1)**	(2.1)
Purchase of financial assets at FVTPL[1]		**(188.2)**	(190.4)
Proceeds from disposals of financial assets at FVTPL[2]		**233.3**	184.9
Cash movement from funds no longer consolidated[3]		**(6.0)**	(4.1)
Cash movement from funds re-consolidated[4]		**0.3**	–
Dividend income received	7	**1.0**	1.1
Net cash inflows/(outflows) from investing activities		**35.1**	(12.0)
Cash flows from financing activities			
Dividends paid	22	**(90.2)**	(109.8)
Purchase of shares by EBT		**(21.4)**	(48.5)
Purchase of shares for cancellation	20	**(8.0)**	–
Net finance costs paid		**(4.5)**	(5.1)
Cash paid in respect of lease arrangements	13	**(7.8)**	(5.2)
Third-party subscriptions into consolidated funds		**31.7**	31.5
Third-party redemptions from consolidated funds		**(13.0)**	(28.7)
Distributions paid by consolidated funds		**(3.8)**	(1.9)
Net cash outflows from financing activities		**(117.0)**	(167.7)
Net increase in cash and cash equivalents		**80.4**	9.2
Cash and cash equivalents at beginning of year		**197.3**	188.1
Foreign exchange gain on cash and cash equivalents[5]		**2.6**	-
Cash and cash equivalents at end of year	17	**280.3**	197.3

1. Includes purchases of seed investments and fund units used as a hedge against compensation awards linked to the value of those funds and, where the Group's investment in seed is judged to give it control of a fund, purchases of financial assets by that fund.
2. Includes proceeds from disposals of seed investments and, where the Group's investment in seed is judged to give it control of a fund, disposals of financial assets by that fund.
3. Comprises cash and cash equivalents held by a fund at the point that the Group ceases to control the fund and it is no longer consolidated.
4. Comprises cash and cash equivalents held by a fund at the point that control passes to the Group and the fund is consolidated.
5. The effects of foreign exchange movements on cash and cash equivalents in prior periods were judged to be immaterial to those periods and were therefore not separately disclosed.

Introduction

Accounting policies are contained within relevant notes, with the basis of preparation and general policies collected in Note 28. An explanation of the use of alternative performance measures (APMs) is provided on pages 195 to 197.

The impact of exceptional items on the financial statements

The Group has presented certain items as exceptional in 2021 and 2022. These items principally relate to the acquisition of Merian in 2020. Further details of all items that are deemed exceptional are explained below, as well as within the relevant notes to the financial statements and in the Chief Financial Officer's Review on page 26.

The use of exceptional items and underlying profit measures in the Strategic report

In the Strategic report of this document, the Group makes use of a number of APMs, including 'Underlying profit before tax'. The use of such measures means that financial results referred to in the Strategic report section of this document may not be equal to the statutory results reported in the financial statements. Guidelines issued by the FRC require such differences to be reconciled. As a result of the 2020 Merian acquisition, there was a significant difference between 'Underlying profit before tax' and the statutory profit before tax in 2021 due to the recognition of amortisation and compensation costs where the relevant accounting charges were required to be recognised over multiple accounting periods. These charges have continued into 2022. Further detail can be found on page 27.

In addition, in 2021, the Group earned significant levels of performance fee income and incurred related costs. These items have been included in Revenue and Administrative expenses in the Group's results. Such income is not exceptional as it is likely to recur, although the amounts earned can vary from being extremely significant in size to being immaterial. In their analysis of the results, professional users of the Group's accounts generally assign different values to recurring management fees than to potentially non-recurring net performance fees. Similarly, due to their inherent variability, results are presented both before and after net performance fees for internal management information purposes.

'Underlying profit before tax' is equal to the statutory profit before tax less exceptional items. Exceptional items are defined on page 26. The financial statements do not refer to or use such measures, but the table below provides a reconciliation, indicating in which note or notes to the statutory financial statements the exceptional items are recorded. Further detail on these items can be found in the relevant notes.

	Notes	**2022 £m**	2021 £m
Underlying profit before tax (page 28)		**77.6**	216.7
Exceptional items included within the following notes:			
Administrative expenses	3	**(0.8)**	(14.2)
Amortisation of intangible assets	12	**(18.8)**	(18.8)
Statutory profit before tax		**58.0**	183.7

Disclosure of relevant accounting information relating to the acquisition

Disclosures relating to the Merian acquisition in 2020 can be found in Note 5.4 of the Group's 2020 Annual Report and Accounts.

Other disclosures

Disclosure of items treated as exceptional that are not related to the Merian acquisition in respect of 2021 are reported in Note 4.

1. Revenue

The Group's primary source of recurring revenue is management fees. Management fees are charged for investment management or administrative services and are normally based on an agreed percentage of the assets under management (AUM). Initial charges and commissions are for additional administrative services at the beginning of a client relationship, as well as ongoing administrative costs. Performance fees may be earned from some funds when agreed performance conditions are met. Net revenue is stated after fee and commission expenses to intermediaries for ongoing services under distribution agreements.

Revenue

Revenue comprises the fair value of the consideration received or receivable for the provision of investment management services. Revenue is shown net of any value added tax, rebates and discounts. Our revenue components are accounted for as follows:

- management fees are earned over a period of time, and revenue is recognised in the same period in which the service is performed. Management fees are normally calculated as a percentage of net fund assets managed in accordance with individual management agreements and are billed to the client each period shortly after the relevant asset data is available, with settlement terms commonly being 30 days or fewer;
- initial charges and commissions on sales of unit trusts are deferred and amortised over the anticipated period of the provision of investment management services. Revenue for initial charges and commissions is recognised over a period of time, but payment is taken upfront resulting in the recognition of contract liabilities; and
- performance fees are calculated as a percentage of the appreciation in the net asset value of a fund above a defined hurdle and are recognised when the fee amount can be estimated reliably and it is highly probable that it will not be subject to significant reversal. Such fees are normally recognised at the end of the relevant reporting period of the fund (or other defined crystallisation date) and payment is collected shortly after.

Management fees and performance fees are both forms of variable consideration, however there is no significant judgement or estimation. The transaction price is determined at the end of each measurement period and is normally equal to the relevant measure of AUM adjusted by a factor set out in the investment management agreement. In the case of performance fees, the adjustment is a defined hurdle rate of return before the performance fee is due. The amount is billed to the customer as per contractual arrangements for each of the separate components of revenue listed above.

All components of the Group's revenue are performance obligations satisfied over time, and are generally not subject to returns or refunds. For management fees, the Group uses the output method to recognise revenue, applying the practical expedient that allows an entity to recognise revenue in the amount to which the entity has a right to invoice if that consideration corresponds directly with the value to the customer of the entity's performance completed to date. This is appropriate because investment management services are generally satisfied over time with either the customer simultaneously receiving and consuming the benefits provided by the fund manager as the fund manager performs the service, or with the fund manager's performance enhancing the assets that the fund controls.

Fee and commission expenses

These are paid to third parties for ongoing services under distribution agreements and are charged to the income statement over the period in which the service is expected to be provided. The services provided include the provision of access to a basket of fund products, information on financial products, promotional materials, ongoing services to clients and transaction processing.

	2022 £m	2021 £m
Management fees	**430.1**	501.5
Initial charges and commissions	**3.1**	3.3
Performance fees	**10.3**	113.0
Revenue	**443.5**	617.8
Fee and commission expenses relating to management fees	**(45.3)**	(47.8)
Fee and commission expenses relating to initial charges and commissions	**(0.9)**	(1.4)
Net revenue	**397.3**	568.6

In 2022, performance fee revenue was mainly generated through a number of funds (2021: through the Chrysalis Investment Trust, along with a number of smaller fees from other funds).

Disaggregation of revenue

The Group disaggregates revenue from contracts with customers on the basis of product type and geographical region, as this best depicts how the nature, amount, timing and uncertainty of the Group's revenue and cash flows are affected by economic factors.

The Group's product types can be broadly categorised into pooled funds and segregated mandates. Pooled funds, which include both mutual funds and investment trusts, are established by the Group, with the risks, exposures and investment approach defined via a prospectus which is provided to potential investors. In contrast, segregated mandates are generally established in accordance with the requirements of a specific institutional investor. Institutional clients may invest in segregated mandates or pooled vehicles.

Revenue by product type	**2022 £m**	2021 £m
Pooled funds	**417.2**	591.9
Segregated mandates	**26.3**	25.9
Revenue	**443.5**	617.8

2. Segmental reporting

The Group offers a range of investment products and services through different distribution channels. All financial, business and strategic decisions are made centrally by the Board of Directors (the Board), which determines the KPIs of the Group. Information is reported to the chief operating decision maker, the Board, on a single-segment basis. While the Group has the ability to analyse its underlying information in different ways, for example by product type, this information is only used to allocate resources and assess performance for the Group as a whole. On this basis, the Group considers itself to be a single-segment investment management business.

Management monitors operating profit for the purpose of making decisions about resource allocation and performance assessment.

Geographical information

Revenue by location of clients	**2022 £m**	2021 £m
UK	**334.4**	495.6
EMEA[1]	**77.7**	88.6
Asia	**18.2**	22.9
Rest of the world	**13.2**	10.7
Revenue by location	**443.5**	617.8

The location of clients is based on management information received from distribution partners. Where management information is not available, the location of the distribution partner is used as a proxy for the location of the client.

Non-current assets for the Group (excluding financial instruments and deferred tax assets) are domiciled as set out below:

Non-current assets for the Group	**2022 £m**	2021 £m
UK	**644.3**	664.5
EMEA[1]	**1.1**	1.4
Asia	**1.0**	0.6
Rest of the world	**0.3**	0.3
Non-current assets by location	**646.7**	666.8

1. In order to align to the Group's reporting throughout the Annual Report, EMEA (Europe, Middle East and Africa) has been inserted as a new region in 2022, replacing Continental Europe. Prior year amounts have been amended to reflect this change.

3. Administrative expenses

The largest administrative expense is staff costs. Other administrative expenses include administration fees, expenditure relating to non-capitalisable investment in the business, marketing and IT costs.

Administrative expenses comprise:

	2022 £m	2021 £m
Staff costs (Note 4)	**187.7**	227.2
Depreciation of property, plant and equipment (Note 13)	**5.8**	5.6
Auditors' remuneration (see below)	**1.6**	1.4
Other administrative expenses	**107.2**	118.9
Total administrative expenses	**302.3**	353.1

Auditors' remuneration	**2022 £m**	2021 £m
Fees payable to the Company's auditors and their associates for the audit of the parent company and consolidated financial statements	**0.4**	0.3
Fees payable to the Company's auditors and their associates for other services to the Group:		
Audit of the Company's subsidiaries pursuant to legislation	**0.9**	0.8
Audit-related assurance services	**0.3**	0.3
Total auditors' remuneration	**1.6**	1.4

The Chief Financial Officer's review on page 26 provides details of exceptional items of £0.8m (2021: £14.2m) within staff costs. The staff costs are described further in Note 4.

4. Staff costs

Staff costs include wages and salaries, share-based payments, pension costs and redundancy costs, along with associated social security costs, and are recognised on an accruals basis as services are provided to the Group.

	2022 £m	2021 £m
Wages and salaries	**98.3**	166.0
Share-based payments (Note 5)	**13.6**	25.5
Social security costs	**11.1**	26.2
Pension costs	**6.2**	5.7
Redundancy costs	**3.4**	6.5
Staff costs before losses/(gains) arising from the economic hedging of fund awards	**132.6**	229.9
Net losses/(gains) on instruments held to provide an economic hedge for fund awards[1]	**55.1**	(2.7)
Staff costs	**187.7**	227.2

1. The gains and losses relates to equity holdings in instruments held as an economic hedge against compensation awards to employees, the value of which is linked to those equity holdings. As a result, any gain or loss relating to such holdings are ultimately borne by the awardees rather than the Group. Over the vesting period of the awards, any gains or losses made on such instruments will be offset by increases or decreases in the accounting charge in respect of the awards, which are included in 'Wages and salaries' (see also Note 6 for details).

Note 3 refers to £0.8m (2021: £14.2m) of staff costs that are described as exceptional items within the Chief Financial Officer's review, comprising £0.8m (2021: £7.7m) relating to the acquisition of Merian and £nil (2021: £6.5m) relating to a redundancy programme. In 2022, the costs chiefly comprise cash and share-based deferred earn out (DEO) awards (2021: cash and share-based DEO awards, and redundancy costs). The redundancy costs in 2021 related to a restructuring programme of the Jupiter business post-integration which started in 2020 and redundancies relating specifically to the Merian acquisition.

Pension costs

The Group contributes to a number of defined contribution pension schemes for the benefit of its employees. Contributions in respect of the UK employees (at the rate of up to 15% of gross salary) are made into the Jupiter Pension Scheme whose financial statements are available from the trustees at the registered office of the Company. Contributions made by the Group are charged to the consolidated income statement as they become payable in accordance with the rules of the schemes.

Average number of employees

The monthly average number of persons employed by the Group during the year, including Executive Directors, by activity is:

	2022 Number	2021 Number
Fund management	**140**	139
Distribution and marketing	**140**	143
Infrastructure and operations	**292**	302
	572	584

Information regarding Executive Directors' aggregate emoluments of £2.2m (2021: £3.6m) is set out in the Remuneration report on page 119.

5. Share-based payments

The Group engages in share-based payment transactions in respect of services receivable from certain employees by granting the right to either shares or options over shares, subject to certain vesting conditions and exercise prices. These have been accounted for as equity-settled share-based payments.

The fair value of the awards granted in the form of shares or share options is recognised as an expense over the appropriate performance and vesting period. The corresponding credit is recognised in retained earnings within total equity. The fair value of the awards is calculated using an option pricing model, the principal inputs being the market value on the date of award, discounted for any dividends forgone over the holding period of the award, and an adjustment for expected and actual levels of vesting, which includes estimating the number of eligible employees leaving the Group and the number of employees satisfying the relevant performance conditions. Shares and options vest on the occurrence of a specified event under the rules of the relevant plan.

A summary of the charge taken to the income statement (excluding social security) for each share-based payment arrangement is shown below:

	2022 £m	2021 £m
Deferred Bonus Plan (DBP)	**14.3**	20.4
Long-Term Incentive Plan (LTIP)	**1.2**	1.6
Deferred Earn Out (DEO)	**(3.4)**	2.3
Sharesave Plan (SAYE)	**0.7**	0.3
Share Incentive Plan (SIP)	**0.1**	0.4
Free Share Awards (FSA)	**0.7**	0.5
Total (Note 4)	**13.6**	25.5

The fair value of the services provided by employees has been calculated indirectly by reference to the fair value of the equity instruments granted. Fair value amounts for the options granted under the DBP, LTIP and SAYE schemes were determined using a Black-Scholes option-pricing method and the following assumptions:

	2022			2021		
	DBP 2021	**LTIP 2022**	**SAYE 2022**	DBP 2020	LTIP 2021	SAYE 2021
Weighted average share price	**£1.88**	**£1.91**	**£0.99**	£2.81	£2.81	£2.51
Weighted average exercise price	**–**	**–**	**£0.79**	–	–	£2.15
Weighted average expected volatility	**33.0%**	**33.3%**	**37.0%**	35.4%	32.1%	33.7%
Weighted average option life (years)	**2.4**	**4.2**	**3.7**	1.7	4.2	4.1
Weighted average dividend yield	**–**	**–**	**17.3%**	–	–	6.8%
Weighted average risk-free interest rate	**3.3%**	**3.2%**	**–**	0.8%	1.1%	–

Expected volatility for options granted in 2022 and 2021 has been calculated using the historical volatility of the Group.

The numbers above in relation to the LTIP include Joiner Plans as both schemes have a similar structure.

The Group provides a sensitivity analysis to show the impact to the Group's profit before taxation in the event that forfeiture and performance condition assumptions exceed or are below the Group's estimations on share-based payments by the stated percentages:

Impact on the income statement of a change in leaver assumptions	**2022 £m**	2021 £m
+5%	**(2.0)**	(1.8)
-5%	**1.1**	1.2

Impact on the income statement of a change in performance condition vesting assumptions	**2022 £m**	2021 £m
+25%	**3.6**	1.9
-25%	**(2.2)**	(2.0)

The use of estimation in the calculation of share-based payments

At the year end, the Group had approximately 37.2m share-based awards in issue. Each year, existing awards vest and new awards are made. Around 13.6m share-based awards were issued in 2022 in the form of deferred bonus and LTIP awards. Given their significance as a form of employee remuneration for the Group, share-based payments have been included as an area where the use of estimation is important in Note 28. The principal estimations made relate to:

- forfeitures (where awardees leave the Group as 'bad' leavers and therefore forfeit unvested awards) and accelerations (where awardees are 'good' leavers and their awards continue to vest but there is no longer an extended service period condition); and
- the satisfaction of performance conditions attached to certain LTIP awards and to share-based DEO awards.

These estimates are reviewed regularly and the charge to the income statement is adjusted appropriately (at the end of the relevant scheme as a minimum). The sensitivity analysis demonstrates that the risk of material adjustment as a result of changes to our estimations in respect of granted awards by 5% for leavers and 25% for performance condition assumptions is not considered to be significant or material.

(i) Deferred Bonus Plan (DBP)

All employees of the Group who are eligible for a bonus over a certain level, as determined by the Remuneration Committee, are required to participate in the DBP. The DBP provides for compulsory deferral of a proportion of bonus. Deferrals are made into either options over the Company's shares or a cash amount equivalent to the value of units in the Group's funds (see Note 6 for information on the treatment of fund units). The awards in respect of DBP are granted after the year end to which they relate. The awards made in 2021 and 2022, in relation to 2020 and 2021 performance respectively, were granted in the form of nil-cost options over the Company's shares, at a price calculated as the market price immediately prior to the date of the award. Awards will also be made in 2023 in relation to 2022 performance, thus a charge for these awards has been taken to the income statement in 2022.

The following table illustrates the number and weighted average exercise price (WAEP) of, and movement in, share options during the year:

	2022		2021	
Options outstanding	Number m	WAEP £	Number m	WAEP £
At 1 January	**14.3**	**–**	10.7	–
Granted	**11.0**	**–**	9.5	–
Exercised	**(6.3)**	**–**	(5.8)	–
Forfeited	**(0.2)**	**–**	(0.1)	–
At 31 December	**18.8**	**–**	14.3	–
Exercisable at 31 December	**1.7**	**–**	0.8	–

There were 6.3m options exercised under this plan in 2022 (2021: 5.8m). The weighted average share price at the date of exercise of these options was £1.25 (2021: £2.65).

The weighted average fair value of options granted under this plan during the year was £1.88 (2021: £2.81).

The weighted average remaining contractual life of the share options outstanding under this plan at 31 December 2022 was 1.3 years (31 December 2021: 1.5 years).

(ii) Long-Term Incentive Plan (LTIP)

All employees are eligible to participate in the LTIP. Awards are made at the discretion of the Remuneration Committee and may be granted in the form of options (either at market value, nominal value or nil cost), restricted shares or conditional share awards over the Company's shares, or a cash amount equivalent to the value of units in the Group's funds. The table below illustrates the number and weighted average exercise price (WAEP) of, and movement in, awards in the form of share options during the year. Cash awards linked to the value of funds are included in Note 6.

	2022		2021	
Options outstanding	Number m	WAEP £	Number m	WAEP £
At 1 January	**9.6**	–	8.3	0.12
Granted	**6.3**	–	4.4	–
Exercised	**(0.6)**	–	(0.5)	0.01
Forfeited	**(2.0)**	**0.01**	(2.6)	0.38
At 31 December	**13.3**	–	9.6	–
Exercisable at 31 December	**0.5**	–	1.3	0.02

There were 0.6m options exercised under this plan in 2022 (2021: 0.5m). The weighted average share price at the date of exercise of these options was £1.58 (2021: £2.70).

The weighted average fair value of options granted under this plan during the year was £1.91 (2021: £2.81).

The weighted average remaining contractual life of the share options outstanding under this plan at 31 December 2022 was 2.5 years (31 December 2021: 2.5 years).

(iii) Deferred Earn Out (DEO)

As part of the sale and purchase agreement on the acquisition of Merian, certain former Merian shareholders, who continued in employment with Jupiter post-completion, were granted nil-cost options over the Company's shares up to a maximum value of £20.0m. For these awards to vest, the awardees must meet certain performance conditions, based on net revenues, on 1 July 2023. On this date, the awards will be converted to a number of shares, corresponding to the average closing price of a Company share over the three dealing days ending immediately before 1 July 2023 and the fulfilment of the performance conditions. Should performance conditions be fulfilled, the awards will be exercisable on 1 July 2024 and 1 July 2025. Exercise of these options will be dependent on the awardees remaining in the employment of the Group until these dates. As at 31 December 2022, it is expected that the performance conditions will not be met.

5. Share-based payments continued

(iv) Sharesave Plan

All eligible UK employees may participate in the Group's Sharesave Plan, which was introduced in 2010. Under the terms of this plan, employees may enter into contracts to save up to the maximum amount permitted under legislation and, at the expiry of a fixed three- or five-year term, have the option to use these savings to acquire shares in the Company at a discounted price, calculated under the rules of the plan (currently a 20% discount to the market price at the date of award). Participants in the plan have six months from the date of vesting to exercise their option.

	2022		2021	
Options outstanding	Number m	WAEP £	Number m	WAEP £
At 1 January	**2.7**	**1.82**	3.1	1.83
Granted	**4.9**	**0.79**	0.4	2.15
Exercised	**–**	**–**	(0.1)	1.67
Forfeited	**(2.6)**	**1.72**	(0.7)	2.05
At 31 December	**5.0**	**1.06**	2.7	1.82
Exercisable at 31 December	**0.1**	**2.10**	0.1	3.35

The weighted average share price at the date of exercise of these options in 2022 was £1.03 (2021: £2.61) per ordinary share.

The weighted average fair value of the options granted under this plan during the year was £0.20 (2021: £0.44).

The range of exercise prices of options granted under this plan is between £0.79 and £4.29.

The weighted average remaining contractual life of the share options outstanding under this plan at 31 December 2022 was 3.3 years (31 December 2021: 3.1 years).

(v) Share Incentive Plan (SIP)

All eligible UK employees may participate in the Group's Share Incentive Plan, which was introduced in 2013. Under the terms of this plan, employees may contribute from pre-tax salary up to the maximum amount permitted under legislation in any tax year, to be used to acquire shares in the Company at the market price on the relevant date. Matching shares are then awarded by the Company on a one matching share for each share purchased basis. The matching shares are subject to forfeiture where the employee leaves employment with the Group within three years of their award.

The number of matching shares purchased under this scheme during the year was 0.1m (2021: 0.1m).

(vi) International Share Award (ISA)

All non-UK employees may participate in the Group's International Share Award, which was introduced in 2017 to create a non-UK plan similar to the Sharesave Plan. Under the terms of this award, international employees are offered the opportunity to be granted a share option which is exercisable after three years and three months. The exercise price is set at the same level as for the Sharesave Plan. Participants in the plan have six months from the date of vesting to exercise their option.

The number of awards made during the year was 0.1m (2021: 0.1m).

(vii) Free Share Award (FSA)

All eligible employees may participate in the Free Share Award which was introduced in 2020. Eligible employees in the UK receive their award through the UK Approved SIP. Non-UK eligible employees receive a nil-cost option which will vest over a three-year period.

The number of awards made during the year was 0.5m (2021: 0.4m).

6. Fund-based deferred compensation awards

As described in Note 5(i) and (ii), deferred bonuses and LTIP awards can be deferred into either options over the Company's shares or a cash amount equivalent to the value of units in the Group's funds. The expense included within wages and salaries in the income statement in relation to fund-based awards was:

	2022 £m	2021 £m
(Credit)/charge in respect of fund-based awards before losses/(gains) arising from hedging	**(2.5)**	59.4
Net losses/(gains) on instruments held to provide an economic hedge for fund awards	**55.1**	(2.7)
Net charge arising from fund-based awards	**52.6**	56.7

Where bonuses are deferred into fund units, the fair value of the award is expensed over the appropriate performance and vesting period and included within staff costs. The liability is revalued at each balance sheet date to the expected settlement amount, being the current market value of the underlying fund units adjusted for the proportion of the vesting period that has passed. Any increase or decrease in value is recognised in the income statement within staff costs. The liability is included in the balance sheet as part of accrued expenses within trade and other payables (see Note 19).

The Group hedges its exposure to price fluctuations in the underlying fund units by purchasing the fund units at the date of grant. These are included within financial assets at FVTPL in the balance sheet. Changes in the fair value of the units are recognised in the income statement within staff costs in order to match the gains and losses of both the hedging instrument and the hedged item within the same line item of the income statement.

The Group provides a sensitivity analysis to show the impact on the Group's profit before taxation in the event that forfeiture and performance condition assumptions (in the case of LTIP awards) exceed or are below the Group's estimations on fund unit awards by the stated percentages:

Impact on the income statement of a change in leaver assumptions	2022 £m	2021 £m
+5%	**(1.9)**	(2.1)
-5%	**0.6**	0.6

Impact on the income statement of a change in performance condition vesting assumptions	2022 £m	2021 £m
+25%	**0.3**	0.2
-25%	**(0.5)**	(0.2)

Volatility in the net charge arising from fund-based awards

In addition to the sensitivities shown above, the Group is also exposed to volatility in its income statement arising from its hedging policy. Although the policy ensures that overall there is no net gain or loss arising from movements in the value of fund-based awards from the date the hedge is purchased until the vesting date, it may result in short-term income statement mismatches that subsequently reverse.

Under the relevant accounting standards, where the Group purchases units or shares in funds to hedge the market risk exposure arising from a fund-based award, any movements in the value of those assets are recorded as gains or losses from the point that the asset is purchased. However, the related liability is initially recorded at zero and is recognised over the period service is provided by the awardee. Only at the vesting date are the asset and liability equal and, therefore, only from this point are nil net gains and losses made from the revaluation of the asset and liability.

Until this point is reached, the impact of movements in the value of fund units held for hedging purposes on asset values may be significantly different to the impact on the fund award liability, resulting effectively in either an acceleration of the compensation charge (where net losses are recorded) or a deferral of charge until future years (where net gains are recorded). These are timing differences that will fully reverse by the vesting date.

In 2022, decreases in the value in the Group's hedging assets of £55.1m (2021: increases of £2.7m) led to a net loss (2021: gain) arising from this timing difference on asset and liability treatment of fund-based awards. Further details of these movements, and the consequent impact on future years' charges, can be found in the Chief Financial Officer's report on page 26.

The use of estimation in the calculation of fund unit awards

At the year end, the Group had accrued £46.8m (2021: £79.6m) of deferred fund unit awards. Each year, existing awards vest and new awards are made. Given their significance as a form of employee remuneration for the Group, fund unit awards have been included as an area where the use of estimation is important in Note 28. The principal estimations made relate to:

- Forfeitures (where awardees leave the Group as 'bad' leavers and therefore forfeit unvested awards) and accelerations (where awardees are 'good' leavers and their awards continue to vest but there is no longer an extended service period condition); and
- The satisfaction of performance conditions attached to LTIP awards.

These estimates are reviewed regularly and the charge to the income statement is adjusted appropriately (at the end of the relevant scheme as a minimum). The sensitivity analysis demonstrates that the risk of material adjustment as a result of reasonable changes to our estimations in respect of granted awards by 5% for leavers and 25% for performance condition assumptions is not considered to be significant or material.

7. Other losses

Other losses relate principally to net losses (2021: net losses) made on the Group's seed investment portfolio and derivative instruments held to provide economic hedges against that portfolio. The portfolio and derivatives are held at FVTPL (see Note 15). Gains and losses comprise both realised and unrealised amounts.

	2022 £m	2021 £m
Dividend income	**1.0**	1.1
(Losses)/gains on financial instruments designated at FVTPL upon initial recognition	**(24.7)**	9.7
Gains/(losses) on financial instruments at FVTPL	**14.0**	(15.2)
Other losses	**(9.7)**	(4.4)

8. Net finance costs

Net finance costs principally relate to interest payable on Tier 2 subordinated debt notes and the unwinding of the discount applied to lease liabilities (see Notes 18 and 13 respectively for further details). Net finance costs also include ancillary charges for commitment fees and arrangement fees associated with the RCF. Interest payable is charged on an accrual basis using the effective interest method.

	2022 £m	2021 £m
Interest on subordinated debt	**4.7**	4.7
Interest on lease liabilities	**1.6**	1.6
Finance cost on the RCF	**0.3**	0.3
Interest (income)/cost on bank deposits	**(0.3)**	0.2
	6.3	6.8

In 2021, the Group incurred interest charges of £0.2m on bank deposits; in 2022, increases in interest rates in the jurisdictions in which the Group holds bank deposits resulted in the recognition of interest income of £0.3m. As a result of the insignificant nature of this income, it has been presented as part of the Group's net finance costs above.

9. Income tax expense

The Group pays taxes according to the rates applicable in the countries in which it operates. The Group's headquarters are in the UK. Most taxes are recorded in the income statement and relate to taxes payable for the reporting period (current tax), but there is also a charge or credit relating to tax payable for future periods due to income or expenses being recognised in a different period for tax and accounting purposes (deferred tax). Tax is charged to equity when the tax benefit exceeds the cumulative income statement expense on share plans.

The Group provides for current tax according to the tax laws of each jurisdiction in which it operates using tax rates that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns in respect of situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided, using the liability method, on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax is recognised in respect of all temporary differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. A deferred tax asset is recognised when it is considered recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as probable that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying temporary differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the temporary differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax that has arisen in respect of equity items, such as tax credits in respect of share-based payments where the fair value of awards exceeds the accounting charge, are recognised directly in equity and not in the income statement.

	2022 £m	2021 £m
Current tax		
Tax on profits for the year	**9.5**	45.0
Adjustments in respect of prior years	**(3.8)**	(1.3)
Total current tax	**5.7**	43.7
Deferred tax		
Origination and reversal of temporary differences	**3.8**	(9.8)
Adjustments in respect of prior years	**0.6**	0.2
Total deferred tax (Note 14)	**4.4**	(9.6)
Income tax expense	**10.1**	34.1

Total tax expense

The corporation tax rate for 2022 was 19% (2021: 19%). The tax charge in the year is lower (2021: lower) than the standard rate of corporation tax in the UK and the differences are explained below:

Factors affecting tax expense for the year	2022 £m	2021 £m
Profit before taxation	**58.0**	183.7
Taxation at the standard corporation tax rate (19%; 2021: 19%)	**11.0**	34.9
Non-taxable expenditure	**0.4**	–
Other permanent differences	**1.6**	(1.4)
Adjustments in respect of prior years	**(3.2)**	(1.1)
Effect of differences in overseas tax rates	**0.3**	0.3
Impact of substantively enacted tax rate change on deferred tax balances	**–**	1.4
Total tax expense	**10.1**	34.1

10. Earnings per share

Basic earnings per share (EPS) is calculated by dividing the profit attributable to equity shareholders of Jupiter Fund Management plc (the parent company of the Group) for the year by the weighted average number of ordinary shares outstanding and contingently issuable during the year, less the weighted average number of own shares held. Own shares are shares held in an EBT for the benefit of employees under the vesting, lock-in and other incentive arrangements in place.

Diluted EPS is calculated by dividing the profit for the year (as used in the calculation of basic EPS) by the weighted average number of ordinary shares outstanding during the year for the purpose of basic EPS plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The weighted average number of ordinary shares used in the calculation of EPS is as follows:

Weighted average number of shares	2022 Number m	2021 Number m
Issued share capital[1]	552.4	553.1
Add contingently issuable shares[2]	1.7	–
Less time apportioned own shares held	(24.5)	(10.6)
Weighted average number of ordinary shares for the purpose of basic EPS	529.6	542.5
Add back weighted average number of dilutive potential shares	9.3	12.9
Weighted average number of ordinary shares for the purpose of diluted EPS	538.9	555.4

1. The Group purchased and cancelled 6.7m ordinary shares during 2022 (see Note 20), resulting in a weighted average issued share capital of 552.4m.
2. Contingently issuable shares relate to vested but unexercised share-based payment awards at the balance sheet date.

Earnings per share	2022 p	2021 p
Basic	8.9	27.6
Diluted	8.8	26.9

11. Goodwill

Goodwill arising on acquisitions, being the excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired, is capitalised in the consolidated balance sheet. Goodwill is carried at cost less provision for impairment. The carrying value of goodwill is not amortised but is tested annually for impairment or more frequently if any indicators of impairment arise. Goodwill is allocated to cash-generating units (CGUs) for the purpose of impairment testing, with the allocation to those CGUs or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose. Impairment losses on goodwill are not reversed.

Goodwill relates to the 2007 acquisition of Knightsbridge Asset Management Limited (KAML) (£341.2m) and the 2020 acquisition of Merian (£229.4m).

	2022 £m	2021 £m
Goodwill	570.6	570.6

The Group operates as a single asset management business segment and does not allocate costs between investment strategies or individual funds. The Group's goodwill originally arose in 2007 through KAML and was increased in 2020 through the acquisition of Merian. The Merian acquisition largely comprised revenues and incremental costs and therefore increased the scale of the existing business, improving the headroom over goodwill arising on acquisitions. Both businesses are fully integrated and are not separately measured or monitored. It is not possible to assign the reduction in the Group's profitability in 2022 between KAML and Merian, and therefore we adopt a single CGU and consider our impairment test based on Group-wide cash generation to calculate the recoverable amount of the goodwill, using the higher of the value in use and fair value less costs of disposal, and comparing this to the carrying value of the asset.

For the impairment test, the recoverable amount for the goodwill asset was calculated using a value in use approach, based on the net present value of the Group's future earnings. The net present value was calculated using a discounted cash flow model, with the following key assumptions:

- The Group's projected base case forecast cash flows over a period of five years, which include an assumption of annual revenue growth based on our expectations of AUM growth, client fee rates and performance fees. The data is taken from the five-year plan, which was approved by the Board in December 2022 and is aligned with the strategic focus set out in the Chief Executive Officer's Review on pages 10 to 13;
- Long-term growth rates of 2% (2021: 3%) were used to calculate terminal value; and
- A cost of capital of 12.8% (2021: 10.7%) was calculated using the capital asset pricing model, weighted to take into account the Group's subordinated debt.

The impairment test performed indicates positive headroom of recoverable amount over carrying value of £212m at 31 December 2022, down from £422m at 30 June 2022 and £1.5bn at 31 December 2021. The headroom has declined as the scale of the Group has reduced, decreasing the overall profitability of the business, primarily through a 15% decrease in the Group's net revenues (before performance fees) resulting from lower average AUM in the year. The value in use of the asset is higher than its fair value less costs of disposal. Our conclusion therefore is that the Group's goodwill asset is not currently impaired.

The sensitivity of the Group's current headroom position to changes in key metrics and assumptions is shown in the tables below. The first table discloses the stresses that would have to be applied to the value in use calculation in order for the headroom to be completely removed. The second table sets out the impacts of reasonably possible changes in key assumptions used in the value in use calculation.

Measure	Assumption used in base case	Movement required to remove all headroom
Compound average annualised revenue growth over a five-year period	Board-approved 5-year strategic plan	Decrease by 3.2%[1]
Discount rate movement (post tax)[2]	12.8%	Increase to 16.1%
Terminal growth rate movement	2.0%	Decrease to -3.1%

1. This percentage is a reduction in average annual revenue growth over a five-year period; it does not imply a linear year-on-year reduction.
2. Using pre-tax discount rates on pre-tax profitability and cash flows does not produce a materially different result.

11. Goodwill continued

The impact on headroom of reasonably possible adverse movements in key inputs to the Group's impairment testing is as follows:

Key variable	Reasonably possible adverse movement	Reduction in headroom £m
Discount rate	+1%	77
Terminal growth rate movement	-1%	55
Decrease in revenue	-10%	87

The sensitivities modelled make no allowance for actions management would take should the Group experience future reductions in AUM or profitability.

Neither the Group's regulatory capital or liquidity resources nor its regulatory requirements would be directly impacted by impairment charges relating to the Group's goodwill asset.

The Group continues to monitor its market capitalisation against implied internal valuations and adjust its internal models on a regular basis to reflect the impacts of market information and its own profitability levels.

The use of estimation and judgement in valuing goodwill

The impairment testing described above requires estimation and judgement, principally concerning future levels of profitability.

Given the size of the asset and the potential impact of impairment losses on the Group's financial position, this has been included as an area where the use of estimation is important in Note 28. Although the headroom resulting from the impairment test has reduced significantly in the year, our five-year plan and a reasonable range of sensitivities imply that no impairment is required. However, elements of the plan are subject to factors such as market sentiment and index levels which are beyond the Group's control. If forecasts are not met, as set out in the first table above, impairment of the asset could result. No impairment losses have been recognised in the current or preceding years.

The Group has also applied judgement in determining CGU levels within its business for the purposes of impairment testing of goodwill and in concluding that the whole Group operates as a single CGU.

12. Intangible assets

Intangible assets principally comprise the expected value of investment management contracts acquired as part of the Merian acquisition, based on the premise that their value is equal to the present value of the earnings they are expected to generate. The cost of intangible assets acquired in the business combination is the fair value as at the date of acquisition. In relation to the investment management contracts, the useful lives were assessed as being finite and they are amortised over their useful economic lives. The useful economic lives of the investment management contracts acquired were assessed as a maximum of four years. The amortisation expense on intangible assets with finite lives has been recognised in the consolidated income statement on a straight-line basis.

Following initial recognition, intangible assets are held at cost less any accumulated amortisation and any provision for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs).

Other intangible assets acquired separately are measured on initial recognition at cost.

Other intangible assets recognised are computer software. Software licences acquired are capitalised at the cost incurred to bring the software into use and are amortised on a straight-line basis over their estimated useful lives, which are estimated as being five and ten years. Costs associated with developing or maintaining computer software programs that do not meet the capitalisation criteria under IAS 38 are recognised as an expense as incurred.

An assessment is made at each reporting date as to whether there is any indication that an asset in use may be impaired. If any such indication exists and the carrying values exceed the estimated recoverable amount at that time, the assets are written down to their recoverable amount. The recoverable amount is measured as the greater of fair value less costs to sell and value in use. Non-financial assets that have suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

The Directors have reviewed the intangible assets as at 31 December 2022 and 31 December 2021 and have concluded there are no indicators of impairment.

	2022			2021		
	Computer software £m	**Investment management contracts £m**	**Total £m**	Computer software £m	Investment management contracts £m	Total £m
Cost						
At 1 January	**20.1**	**75.0**	**95.1**	18.2	75.0	93.2
Additions	**4.1**	**–**	**4.1**	2.1	–	2.1
Disposals	**–**	**–**	**–**	(0.2)	–	(0.2)
Retiring assets	**(7.9)**	**–**	**(7.9)**	–	–	–
At 31 December	**16.3**	**75.0**	**91.3**	20.1	75.0	95.1
Accumulated amortisation						
At 1 January	**(14.8)**	**(28.2)**	**(43.0)**	(13.0)	(9.4)	(22.4)
Charge for the year	**(2.2)**	**(18.8)**	**(21.0)**	(1.8)	(18.8)	(20.6)
Retiring assets	**7.9**	**–**	**7.9**	–	–	–
At 31 December	**(9.1)**	**(47.0)**	**(56.1)**	(14.8)	(28.2)	(43.0)
Net book value						
At 31 December	**7.2**	**28.0**	**35.2**	5.3	46.8	52.1

13. Property, plant and equipment

Property, plant and equipment is made up of leasehold improvements, office furniture and equipment and right-of-use lease assets and is stated at cost, less accumulated depreciation and any provision for impairment. Cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in an asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenditures are charged to the income statement during the financial year in which they are incurred. Depreciation is calculated on a straight-line basis to allocate the cost of each asset over its estimated useful life as follows:

Leasehold improvements	19 years
Office furniture and equipment	5 years
Right-of-use assets	Shorter of the asset's useful life and the lease term

The assets' useful economic lives and residual values are reviewed at each financial year end and adjusted if appropriate. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on the disposal of the asset, calculated as the difference between the net disposal proceeds and the carrying amount of the item, is included in the income statement in the year the item is sold or retired.

	2022				2021			
	Right-of-use assets £m	**Leasehold improvements £m**	**Office furniture and equipment £m**	**Total £m**	Right-of-use assets £m	Leasehold improvements £m	Office furniture and equipment £m	Total £m
Cost								
At 1 January	**49.2**	**5.7**	**14.9**	**69.8**	48.3	5.4	13.8	67.5
Additions	**1.4**	**–**	**1.2**	**2.6**	0.9	0.3	1.1	2.3
Retirement of fully-depreciated assets	**(0.5)**	**(0.3)**	**(9.7)**	**(10.5)**	–	–	–	–
At 31 December	**50.1**	**5.4**	**6.4**	**61.9**	49.2	5.7	14.9	69.8
Accumulated depreciation								
At 1 January	**(11.0)**	**(2.0)**	**(12.7)**	**(25.7)**	(7.1)	(1.7)	(11.3)	(20.1)
Charge for the year	**(4.0)**	**(0.4)**	**(1.4)**	**(5.8)**	(3.9)	(0.3)	(1.4)	(5.6)
Retirement of fully-depreciated assets	**0.5**	**0.3**	**9.7**	**10.5**	–	–	–	–
At 31 December	**(14.5)**	**(2.1)**	**(4.4)**	**(21.0)**	(11.0)	(2.0)	(12.7)	(25.7)
Net book value								
At 31 December	**35.6**	**3.3**	**2.0**	**40.9**	38.2	3.7	2.2	44.1

Leases

(i) Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

	Notes	**2022 £m**	2021 £m
Right-of-use assets			
Buildings		**35.4**	38.0
Equipment		**0.1**	0.1
Motor vehicles		**0.1**	0.1
		35.6	38.2
Lease liabilities			
Current	19	**3.2**	4.0
Non-current	19	**43.1**	47.1
		46.3	51.1

13. Property, plant and equipment continued

(ii) Amounts recognised in the income statement

The income statement shows the following amounts relating to leases:

	2022 £m	2021 £m
Depreciation charge of right-of-use assets		
Buildings	**3.8**	3.6
Equipment	**0.1**	0.2
Vehicles	**0.1**	0.1
	4.0	3.9
Interest expense (included in net finance costs)	**1.6**	1.6
Expense relating to short-term leases (included in administrative expenses)	**0.4**	0.5

The total cash outflow for leases in 2022 was £7.8m (2021: £5.2m).

(iii) The Group's leasing activities and how these are accounted for

The Group leases various offices, equipment and cars. Rental contracts are typically made for fixed periods of 2 to 20 years but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option; and
- Payments to be made under reasonably certain extension options.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

To determine the incremental borrowing rate, the Group:

- Uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk; and
- Makes adjustments specific to the lease, for example, term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Significant area of estimation and judgement

Calculation of leased assets and liabilities requires the use of both estimation and judgement. The determination of the lease term for each lease involves the Group assessing any extension and termination options, the enforceability of such options, and judging whether it is reasonably certain that they will be exercised. Several of the Group's leases contain such clauses. For each lease, a conclusion was reached on the overall likelihood of the option being exercised.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Restoration costs.

The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases are recognised on a straight-line basis as an expense in the income statement. Short-term leases are leases with a lease term of 12 months or less.

Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

14. Deferred tax

Analysis of the Group's deferred tax assets and liabilities is shown below:

	Share-based payments £m	Accelerated capital allowances £m	Employee benefits £m	Other temporary differences £m	Other deferred compensation payments £m	Intangible assets arising upon consolidation £m	Total £m
Assets	10.6	1.3	0.1	(0.4)	16.0	–	27.6
Liabilities	–	–	–	–	–	(10.3)	(10.3)
At 31 December 2021	10.6	1.3	0.1	(0.4)	16.0	(10.3)	17.3
Assets	**7.1**	**0.6**	**0.1**	**0.3**	**11.3**	**–**	**19.4**
Liabilities	**–**	**–**	**–**	**–**	**–**	**(6.7)**	**(6.7)**
At 31 December 2022	**7.1**	**0.6**	**0.1**	**0.3**	**11.3**	**(6.7)**	**12.7**

Movements in temporary differences between the balance sheet dates have been reflected in the income statement and the statement of changes in equity as follows:

	Share-based payments £m	Accelerated capital allowances £m	Employee benefits £m	Other temporary differences £m	Other deferred compensation payments £m	Intangible assets arising upon consolidation £m	Total £m
At 1 January 2021	7.4	0.5	0.1	0.2	11.8	(12.5)	7.5
Credited to the income statement	3.1	0.8	–	(0.7)	4.2	2.2	9.6
Credited to equity	0.1	–	–	0.1	–	–	0.2
At 31 December 2021	10.6	1.3	0.1	(0.4)	16.0	(10.3)	17.3
(Charged)/Credited to the income statement	**(3.3)**	**(0.7)**	**–**	**0.7**	**(4.7)**	**3.6**	**(4.4)**
Charged to equity	**(0.2)**	**–**	**–**	**–**	**–**	**–**	**(0.2)**
At 31 December 2022	**7.1**	**0.6**	**0.1**	**0.3**	**11.3**	**(6.7)**	**12.7**

The other temporary differences balances at 31 December 2021 and 2022 include short-term timing differences and temporary differences between depreciation and capital allowances.

The rate of corporation tax will increase to 25% from 1 April 2023. Deferred taxes at the balance sheet date reflected in these financial statements have been measured using the relevant enacted or substantively enacted tax rate for the year in which they are expected to be realised or settled.

15. Financial instruments held at fair value

Financial instruments

Financial assets and liabilities are recognised when the Group becomes party to the contractual provisions of an instrument. They are initially measured at fair value adjusted for transaction costs, except for financial assets classified at FVTPL where transaction costs are immediately recognised in the income statement. Financial assets are derecognised when the rights to receive cash flows from the assets have expired or where they have been transferred and the Group has also transferred substantially all risks and rewards of ownership. Financial liabilities are derecognised when the obligation under the liability has been discharged, cancelled or has expired.

Financial assets

The Group's financial assets include cash and short-term deposits, trade and other receivables, investments in pooled funds and derivative financial instruments. Financial assets are classified as being at FVTPL or at amortised cost. The classification adopted by the Group depends on the Group's business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets at FVTPL

Financial assets at FVTPL include seed investments in pooled funds which are managed and evaluated on a fair value basis, in accordance with the documented strategy, as well as units or shares in funds managed by the Group which have been acquired for the purposes of hedging deferred compensation awards. Financial assets are classified in this category if they have been acquired principally for the purpose of selling in the short term or if they serve as economic hedges to fund-linked liabilities. Other financial assets at FVTPL comprise derivative instruments which are held to provide an economic hedge in respect of specific risk exposures (see Note 25). Financial assets at FVTPL are carried at fair value, with gains and losses recognised in the income statement in the period in which they arise either in other gains/losses or in administrative expenses for instruments held to provide an economic hedge against fund unit awards. Assets in this category are classified as current assets.

Financial liabilities

The Group's financial liabilities include loans and borrowings, trade and other payables, derivative financial instruments and the non-controlling interests in funds that have been consolidated as subsidiaries.

15. Financial instruments held at fair value continued

Financial liabilities at FVTPL

Financial liabilities at FVTPL are carried at fair value, with gains and losses recognised in the income statement within other gains/losses in the period in which they arise. Financial liabilities at FVTPL comprise non-controlling interests in consolidated funds.

As at 31 December, the Group held the following financial instruments measured at fair value:

	2022 £m	2021 £m
Financial assets		
Financial assets at FVTPL	**167.8**	302.5
Other financial assets at FVTPL	**-**	1.0
	167.8	303.5

	2022 £m	2021 £m
Financial liabilities		
Financial liabilities at FVTPL	**(48.6)**	(52.3)
Other financial liabilities at FVTPL	**(0.6)**	–
	(49.2)	(52.3)

A further analysis of the Group's financial assets is provided below:

	2022 £m	2021 £m
Direct seed investment at fair value	**72.6**	142.3
Additional financial assets due to consolidation of funds	**44.0**	44.3
Derivatives and fund unit hedges	**51.2**	61.4
Fees receivable in shares	**-**	55.5
Total financial assets	**167.8**	303.5

16. Trade and other receivables

Trade and other receivables are recognised initially at fair value. The Group holds trade and other receivables to collect contractual cash flows, which are solely payments of principal and interest, and are therefore subsequently measured at amortised cost using the effective interest method, less loss allowances.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses (ECLs) for trade receivables at an amount equal to lifetime ECLs. The ECLs on trade receivables are calculated based on actual historic credit loss experience over the preceding three to five years and are adjusted for forward-looking estimates. ECLs are applied to the total balance of non-credit impaired trade receivables.

The Group considers a trade receivable to be credit impaired when one or more detrimental events have occurred, such as significant financial difficulty of the client or it becoming probable that the client will enter bankruptcy or other financial reorganisation.

When a trade receivable is credit impaired, it is written off against trade receivables and the amount of the loss is recognised in the income statement. Subsequent recoveries of amounts previously written off are credited to the income statement. In line with the Group's historical experience, and after consideration of current credit exposures, the Group does not expect to incur any credit losses and has not recognised any ECLs in the current year (2021: £nil) (see Note 25).

Trade and other receivables, including loans to employees, are included in current assets except where they have maturities greater than 12 months after the balance sheet date. These are classified as non-current assets.

Accrued income relates to accrued interest and accrued management, performance and registration fees. It is based on the latest available information and therefore involves a degree of estimation relating to the valuation of underlying AUM.

Contract assets represent deferred acquisition and commission costs paid upfront to distributors that are unsatisfied or partially unsatisfied as at the end of the reporting period. The costs are recognised over the expected lives of the contracts, which are estimated to be up to six years, on a straight-line basis.

Non-current	2022 £m	2021 £m
Rent deposits	**0.4**	0.5
	0.4	0.5

Current	2022 £m	2021 £m
Trade receivables	**68.9**	53.8
Prepayments	**9.0**	8.1
Accrued income	**45.0**	81.6
Contract assets	**1.2**	1.5
	124.1	145.0

Trade receivables are non-interest bearing and are generally collected within four working days. An analysis of the ageing profile of trade receivables is disclosed in Note 25. Within trade and other receivables, the amount receivable from contracts with customers is £104.8m (2021: £126.9m).

The amount of fee and commission expenses recognised in the current reporting period that was included in the contract asset balance at the beginning of the period was £0.9m (2021: £1.4m). The Group expects to recognise expenses for the remaining performance services received over the following durations:

Contract assets	2022 £m	2021 £m
< 1 year	**0.8**	0.9
1-5 years	**0.4**	0.6
	1.2	1.5

17. Cash and cash equivalents

	2022 £m	2021 £m
Cash at bank and in hand	**276.8**	193.5
Cash held by EBT and seed investment subsidiaries (see Note 28)	**3.5**	3.8
	280.3	197.3

Cash and cash equivalents have an original maturity of three months or less. Cash at bank earns interest at the current prevailing daily bank rates.

Cash held by the EBT and seed investment subsidiaries is not available for use by the Group.

18. Loans and borrowings

On 27 April 2020 the Group issued £50.0m of Tier 2 subordinated debt notes at a discount of £0.5m. Issue costs were £0.5m and the net proceeds were therefore £49.0m. These notes will mature on 27 July 2030 and bear interest at a rate of 8.875% per annum to 27 July 2025, and at a reset rate thereafter. Interest accrued but not yet paid on the subordinated debt is recorded within 'Trade and other payables' in Note 19. The Group has the option to redeem all of the notes from 27 April 2025 onwards. The fair value of the notes as at 31 December 2022 was £51.0m (2021: £58.8m).

	2022 £m	2021 £m
Non-current subordinated debt in issue	**49.5**	49.3

The Group's RCF enables it to borrow up to £80.0m (2021: £80.0m). The facility expires in April 2023 and was undrawn throughout 2021 and 2022. The Group expects to renew the facility at the same level.

Interest on the RCF is payable at a rate per annum of SONIA (sterling overnight index average) reference rate plus a margin of 0.6%. A commitment fee is payable on the RCF at a rate of 0.21% per annum on the undrawn balance. A utilisation fee is also payable at a rate of 0.08% per annum when up to 33% of the facility is drawn, 0.15% per annum when 33% to 66% of the facility is drawn, and 0.3% per annum when more than 66% of the facility is drawn.

19. Trade and other payables

Trade and other payables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any issue costs and any discount or premium on settlement.

The Group may from time to time be exposed to potential legal claims, regulatory action and related costs arising from its activities through the normal course of its business. Where such claims and costs arise, there is often uncertainty over whether a payment will be required and the quantum and timing of that payment. The Directors are not currently aware of any probable legal claims or regulatory proceedings which would lead to a material liability.

The most significant accruals at the year end relate to cash and fund award bonuses. At the end of each financial year, the Group recognises accrued expenses for bonuses accrued but not yet paid in respect of service attributable to that year. Accrued interest on the Group's subordinated debt (see Note 18) is included as an accrued expense.

Contract liabilities represent performance obligations that are unsatisfied or partially unsatisfied as at the end of the reporting period. The Group's contract liabilities relate to initial charges and commissions where payment has been received upfront but revenue is recognised over the expected lives of the contracts, which are estimated to be up to six years, on a straight-line basis.

19. Trade and other payables continued

Non-current	2022 £m	2021 £m
Lease liabilities	**43.1**	47.1
Accrued expenses	**34.1**	41.9
Social security and other taxes	**10.3**	13.2
Contract liabilities	**-**	0.1
	87.5	102.3

Current	2022 £m	2021 £m
Accrued expenses	**114.3**	156.4
Trade payables	**65.5**	38.4
Social security and other taxes	**16.5**	18.2
Other payables	**5.4**	4.6
Lease liabilities	**3.2**	4.0
Contract liabilities	**0.3**	0.6
	205.2	222.2

Accrued expenses of £33.6m (2021: £36.8m) included within non-current trade and other payables and £13.2m (2021: £42.8m) included within current trade and other payables relate to deferred bonus awards whose settlement amounts will be based on the value of units in the Group's funds (see Note 6).

The amount of revenue recognised in the current reporting period that was included in the contract liability balance at the beginning of the period was £0.7m (2021: £0.8m). The Group expects to recognise revenue of £0.3m for the remaining performance obligations within one year (2021: £0.6m within one year, £0.1m within 1-5 years).

20. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Authorised, issued, allotted, called-up and fully paid	2022 Number of shares m	2021 Number of shares m	2022 £m	2021 £m
Share capital				
Ordinary shares of 2p each	**546.4**	553.1	**10.9**	11.1
	546.4	553.1	**10.9**	11.1

	Number of shares		Par value	
	2022 m	2021 m	2022 £m	2021 £m
Movements in ordinary shares				
At 1 January	**553.1**	553.1	**11.1**	11.1
Shares cancelled	**(6.7)**	–	**(0.2)**	–
At 31 December	**546.4**	553.1	**10.9**	11.1

During the year, the Group announced a £10.0m share buyback and cancellation programme. At 31 December 2022, the Group had purchased and cancelled 6.7m ordinary shares at a cost of £8.0m, and had irrevocably committed to £2.0m of further purchases. The programme was completed in January 2023, with the additional purchase and cancellation of 1.4m shares. On cancellation of the shares, an amount equal to their nominal value was transferred to a capital redemption reserve which forms part of 'Other reserves', as detailed in Note 21.

21. Reserves

(i) Own share reserve

The Group operates an EBT for the purpose of satisfying certain retention awards to employees. The holdings of this trust, which is funded by the Group, include shares in the Company that have not vested unconditionally to employees of the Group. These shares are recorded at cost and are classified as own shares. The shares are used to settle obligations that arise from the granting of share-based awards.

During the year, the Group purchased 10.4m (2021: 18.2m) ordinary shares with a par value of £0.2m (2021: £0.4m) for the purpose of satisfying share option obligations to employees. The full cost of the purchases was £21.4m (2021: £48.5m). The Group disposed of 7.2m (2021: 6.6m) own shares to employees in satisfaction of share-based awards with a nominal value of £0.1m (2021: £0.2m). At 31 December 2022, 22.9m (2021: 19.7m; 2020: 8.7m) ordinary shares, with a par value of £0.5m (2021: £0.4m; 2020: £0.2m), were held as own shares within the Group's EBT.

(ii) Other reserves

Other reserves of £250.3m (2021: £250.1m) comprise the merger relief reserve of £242.1m (2021: £242.1m) formed on the acquisition of Merian in 2020, £8.0m (2021: £8.0m) that relates to the conversion of Tier 2 preference shares in 2010 and £0.2m (2021: £nil) of capital redemption reserve that was transferred from share capital on the cancellation of shares that had been repurchased in 2022 (see Note 20).

(iii) Foreign currency translation reserve

The foreign currency translation reserve of £3.7m (2021: £0.3m) is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

(iv) Retained earnings

Retained earnings of £578.9m (2021: £639.7m) are the amount of earnings that are retained within the Group after dividend payments and other transactions with owners.

22. Dividends

Dividend distributions to the Company's shareholders are recognised in the accounting period in which the dividends are paid.

	2022 £m	2021 £m
Final dividend (9.2p per ordinary share) (2021: 9.2p per ordinary share)	**48.6**	50.4
Interim dividend (7.9p per ordinary share) (2021: 7.9p per ordinary share)	**41.6**	42.9
Special dividend (nil) (2021: 3.0p per ordinary share)	**-**	16.5
	90.2	109.8

Final dividends and special dividends are paid out of profits recognised in the year prior to the year in which the dividends are proposed, declared and reported.

The EBT has waived its right to receive future dividends on shares held in the trust. Dividends waived on shares held in the EBT in 2022 were £4.3m (2021: £1.4m).

A final dividend for 2022 of 0.5p per share (2021: 9.2p) has been proposed by the Directors. This dividend amounts to £2.7m (before adjusting for any dividends waived on shares in the EBT) and will be accounted for in 2023. Including the interim dividend for 2022 of 7.9p per share (2021: 7.9p), this gives a total dividend per share of 8.4p (2021: 17.1p).

23. Cash flows from operating activities

	Notes	2022 £m	2021 £m
Operating profit		**64.3**	190.5
Adjustments for:			
Amortisation of intangible assets	12	**21.0**	20.6
Depreciation of property, plant and equipment	13	**5.8**	5.6
Other net losses/(gains)[1]		**28.2**	(9.4)
Losses/(gains) on fund unit hedges[2]		**55.1**	(7.7)
Share-based payments		**13.6**	25.5
Cash inflows on exercise of share options		**–**	0.1
Performance fee receivable in shares[3]		**–**	(55.5)
Decrease in trade and other receivables[4]		**12.2**	39.1
(Decrease)/increase in trade and other payables[4]		**(25.1)**	28.7
Cash generated from operations		**175.1**	237.5

1. Comprises the reversal of items included in 'Other losses' in the income statement that relate to either unrealised gains and losses, or to cash flows relating to the disposal of financial assets other than derivative contracts. Cash flows relating to disposals are included in the Cash flow statement on page 149 within 'Proceeds from disposals of financial assets at FVTPL'.
2. Comprises the reversal of net losses/(gains) on financial instruments held to provide an economic hedge for funds awards that are recognised within Staff costs (Note 4). Cash flows arising from the disposal of such instruments are included in the Cash flow statement, in line with footnote 1 above.
3. The performance fee receivable in shares was settled as a non-cash transaction in 2022.
4. Amounts reported in these lines can differ from the movement in the balance sheet where cash flows that form part of that movement are separately reported in a different line of the Cash flow statement or its notes. In 2021 and 2022, these differences are principally in respect of cash flow movements relating to consolidated funds. For trade and other payables, additionally, cash flows arising from movements in lease liabilities are presented on the face of the Cash flow statement.

24. Changes in liabilities arising from financing activities

	2022				2021			
	Financial liabilities at FVTPL £m	Loans and borrowings[1] £m	Leases £m	Total £m	Financial liabilities at FVTPL £m	Loans and borrowings[1] £m	Leases £m	Total £m
Brought forward at 1 January	**52.3**	**49.3**	**51.1**	**152.7**	89.2	49.2	54.2	192.6
New leases	**–**	**–**	**1.4**	**1.4**	–	–	0.2	0.2
Changes from financing cash flows	**18.7[2]**	**–**	**(7.8)**	**10.9**	2.8[2]	–	(5.2)	(2.4)
Changes arising from obtaining or losing control of consolidated funds	**(14.4)**	**–**	**–**	**(14.4)**	(47.0)	–	–	(47.0)
Changes in fair value	**(8.0)**	**–**	**–**	**(8.0)**	7.3	–	–	7.3
Interest expense	**–**	**0.2**	**1.6**	**1.8**	–	0.1	1.6	1.7
Lease reassignment and modifications	**–**	**–**	**–**	**–**	–	–	0.3	0.3
Liabilities arising from financing activities carried forward at 31 December	**48.6**	**49.5**	**46.3**	**144.4**	52.3	49.3	51.1	152.7
Notes	15	18	19		15	18	19	

1. Accrued interest on loans and borrowings is recorded within 'Trade and other payables' (Note 19) and is therefore not included in this analysis. The interest expense above comprises the charge arising from unwinding the discount that has been applied in calculating the amortised cost of the Group's subordinated debt.
2. Comprises cash flows from third-party subscriptions redemptions into consolidated funds, net of redemptions (see Cash flow statement).

25. Financial risk management

Financial instruments by category

The carrying value of the financial instruments of the Group at 31 December is shown below:

2022	**Financial assets at FVTPL £m**	**Financial assets held at amortised cost £m**	**Financial liabilities at FVTPL £m**	**Other financial liabilities £m**	**Total financial instruments £m**	**Non-financial instruments £m**	**Total £m**
Goodwill	–	–	–	–	–	**570.6**	**570.6**
Intangible assets	–	–	–	–	–	**35.2**	**35.2**
Property, plant and equipment	–	–	–	–	–	**40.9**	**40.9**
Deferred tax assets	–	–	–	–	–	**19.4**	**19.4**
Non-current trade and other receivables[1]	–	**0.4**	–	–	**0.4**	–	**0.4**
Financial assets at FVTPL	**167.8**	–	–	–	**167.8**	–	**167.8**
Current trade and other receivables[1]	–	**113.9**	–	–	**113.9**	**10.2**	**124.1**
Cash and cash equivalents	–	**280.3**	–	–	**280.3**	–	**280.3**
Current tax assets[1]	–	–	–	–	–	**3.3**	**3.3**
Non-current loans and borrowings	–	–	–	**(49.5)**	**(49.5)**	–	**(49.5)**
Non-current trade and other payables[1]	–	–	–	**(77.2)**	**(77.2)**	**(10.3)**	**(87.5)**
Deferred tax liabilities	–	–	–	–	–	**(6.7)**	**(6.7)**
Financial liabilities at FVTPL	–	–	**(49.2)**	–	**(49.2)**	–	**(49.2)**
Current trade and other payables[1]	–	–	–	**(188.4)**	**(188.4)**	**(16.8)**	**(205.2)**
Total	**167.8**	**394.6**	**(49.2)**	**(315.1)**	**198.1**	**645.8**	**843.9**

2021	Financial assets at FVTPL £m	Financial assets held at amortised cost £m	Financial liabilities at FVTPL £m	Other financial liabilities £m	Total financial instruments £m	Non-financial instruments £m	Total £m
Goodwill	–	–	–	–	–	570.6	570.6
Intangible assets	–	–	–	–	–	52.1	52.1
Property, plant and equipment	–	–	–	–	–	44.1	44.1
Deferred tax assets	–	–	–	–	–	27.6	27.6
Non-current trade and other receivables[1]	–	0.5	–	–	0.5	–	0.5
Financial assets at FVTPL	303.5	–	–	–	303.5	–	303.5
Current trade and other receivables[1]	–	135.4	–	–	135.4	9.6	145.0
Cash and cash equivalents	–	197.3	–	–	197.3	–	197.3
Non-current loans and borrowings	–	–	–	(49.3)	(49.3)	–	(49.3)
Non-current trade and other payables[1]	–	–	–	(89.0)	(89.0)	(13.3)	(102.3)
Deferred tax liabilities	–	–	–	–	–	(10.3)	(10.3)
Financial liabilities at FVTPL	–	–	(52.3)	–	(52.3)	–	(52.3)
Current trade and other payables[1]	–	–	–	(203.4)	(203.4)	(18.8)	(222.2)
Current income tax liability[1]	–	–	–	–	–	(3.5)	(3.5)
Total	303.5	333.2	(52.3)	(341.7)	242.7	658.1	900.8

1. Prepayments, contract assets, contract liabilities, current tax assets and social security and other taxes do not meet the definition of financial instruments.

For financial instruments held at 31 December 2022, issued subordinated debt, recorded within non-current loans and borrowings above, had a fair value of £51.0m (2021: £58.8m), less unamortised expenses of £0.2m (2021: £0.3m).

Gains and losses recognised in the income statement by category are shown below:

	2022			2021		
	Financial assets at FVTPL[2] £m	**Other income and expense £m**	**Total £m**	Financial assets at FVTPL[2] £m	Other income and expense £m	Total £m
Revenue	–	**443.5**	**443.5**	–	617.8	617.8
Fee and commission expenses	–	**(46.2)**	**(46.2)**	–	(49.2)	(49.2)
Administrative expenses	**(55.1)**	**(247.2)**	**(302.3)**	2.7	(355.8)	(353.1)
Other losses	**(9.7)**	–	**(9.7)**	(4.4)	–	(4.4)
Amortisation of intangible assets	–	**(21.0)**	**(21.0)**	–	(20.6)	(20.6)
Net finance costs	–	**(6.3)**	**(6.3)**	–	(6.8)	(6.8)
Income tax expense	–	**(10.1)**	**(10.1)**	–	(34.1)	(34.1)
Profit for the year	**(64.8)**	**112.7**	**47.9**	(1.7)	151.3	149.6

2. See Notes 4 and 7 for further details.

The Group used the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: other techniques, for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data (unobservable inputs).

As at 31 December 2022, the Group held the following financial instruments measured at fair value:

2022	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Financial assets at FVTPL – funds	**116.5**	**51.0**	**0.3**	**167.8**
Financial liabilities at FVTPL	**(48.6)**	**–**	**–**	**(48.6)**
Other financial liabilities at FVTPL – derivatives	**–**	**(0.6)**	**–**	**(0.6)**
	67.9	**50.4**	**0.3**	**118.6**

As at 31 December 2021, the Group held the following financial instruments measured at fair value:

2021	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Financial assets at FVTPL – funds	194.6	52.4	–	247.0
Financial assets at FVTPL – fees receivable in shares	55.5	–	–	55.5
Other financial assets at FVTPL – derivatives	–	1.0	–	1.0
Financial liabilities at FVTPL	(52.3)	–	–	(52.3)
	197.8	53.4	–	251.2

Where funds are consolidated, we look through to the underlying instruments and assign a level in accordance with the definitions above. Where funds are not consolidated, we do not apply a look through and these funds are classified as level 1 as the prices of these funds are quoted in active markets.

Level 1 financial instruments

The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted market prices at the balance sheet date.

Financial assets at FVTPL

Financial assets at FVTPL – funds relates to non-consolidated seed investments and hedges of awards in fund units in mutual funds. It also includes the underlying holdings in consolidated funds that meet the definition of level 1 financial instruments. In 2021, the Group also held Financial assets at FVTPL in the form of performance fees receivable for which the consideration was to be paid in the equity shares of a third-party investment trust.

Financial liabilities at FVTPL

These relate to non-controlling interests in funds that have been consolidated as subsidiaries.

Level 2 financial instruments

The fair value of financial instruments are valued based on observable market data from readily available external sources.

Financial assets at FVTPL

Financial assets at FVTPL – funds relates to underlying holdings in consolidated funds that meet the definition of level 2 financial instruments.

Derivative financial instruments

These are held to hedge specific seed-related exposures and have maturities designed to match the exposures they are hedging. The derivatives are held at fair value, being the price to exit the instruments at the balance sheet date. Movements in the fair value are recorded in the income statement.

The Group enters into swap arrangements and foreign exchange forward contracts to provide an economic hedge of certain of its seed investments. Gains and losses arising from fair value movements in the swap and forward contracts are recognised in the consolidated income statement within other gains/losses and are settled periodically, in accordance with the terms of the contract. Any cash settlements due from or to the counterparty in relation to the swap arrangements, which are required to be settled at the end of each month, are recorded within current assets or current liabilities as trade receivables or other payables, as appropriate. The fair value of the foreign exchange contracts, which are required to be settled at periods other than month end, are recorded within financial assets or liabilities at FVTPL, as appropriate.

At 31 December 2022, the notional value of the swaps was £67.0m (2021: £131.0m) and the foreign exchange forward contracts was £47.5m (2021: £106.7m). The settlement amount of the swaps at 31 December 2022 was a payable of £0.9m (2021: payable of £2.5m) which is included within trade and other payables. The fair value of the foreign exchange forward contracts is included within Other financial liabilities at FVTPL – derivatives (£0.6m (2021: £nil)) and Other financial assets at FVTPL – derivatives (£nil (2021: £1.0m)).

Level 3 financial instruments

The Group holds a small amount of assets that meet the definition of level 3 financial instruments within a fund that has been consolidated as a subsidiary.

25. Financial risk management continued

Financial risk management objectives and policies

The Group is subject to a number of financial risks throughout its business, the principal risks being market risk (including price, foreign exchange and interest rate risk), credit risk and liquidity risk. The Board is accountable for risk and is responsible for oversight of the risk management process. The Board has ultimate responsibility for the risk strategy of the Group, and for determining an appropriate risk appetite and tolerance levels within which the Group must operate. By defining these, the Board demonstrates that it is aware of and, where appropriate, has taken steps to mitigate the impact of risks that may have a material impact on the Group.

The Executive Committee reviews the key corporate risks facing the Group. The Chief Executive Officer has ultimate responsibility for the governance of the risk management of the firm, but delegated responsibility for the risk and control framework lies with the Head of Risk, who has responsibility for the monitoring and reporting of risk and controls and, through the Risk, Compliance and Capital Committee, manages the ongoing development of the Group's risk and control framework. Jupiter embeds risk management within the business, with independent oversight and challenge being provided by the risk and compliance function.

Price risk

Price risk is the risk that a decline in the value of assets will adversely impact the profitability of the Group. Management has identified price risk as the exposure to unfavourable movements in the value of financial assets held by the Group which would result in a loss recognised in the consolidated income statement. In addition, due to the nature of the business, the Group's exposure extends to the impacts on revenue that are determined on the basis of a percentage of AUM, and are therefore impacted by the financial instrument risk exposure of our clients – the secondary exposure. This price risk analysis deals only with our primary exposure of the risks from the Group's direct holdings. The Group is not exposed to commodity price risk.

The Group holds listed equity investments in its seed investments portfolio which are exposed to the risk of changes in equity markets. At 31 December 2022, the fair value, and therefore maximum exposure to listed securities, was £72.6m (2021: £142.3m).

The Group's policy is to hedge the equity market and currency exposure of its seed investments depending on the fund mandate and whether available transactions are cost effective. As at 31 December 2021 and 31 December 2022, the Group held swap instruments to act as hedges against risk exposures arising from certain holdings in seed fund investments.

Price risk sensitivity analysis on financial assets

The Directors believe that 10% gives a reasonable measure of the Group's sensitivity to price risk. An increase or decrease of 10% in equity markets would have the impact shown below on the Group's profit before taxation. This reflects estimated gains and losses on the Group's listed investments at the balance sheet date and not any likely impact on the Group's revenue or costs. There is no further impact on the Group's equity.

Impact on the income statement of change in equity markets	**2022 £m**	2021 £m
+10%	**0.6**	1.1
-10%	**(0.6)**	(1.1)

The analysis takes account of the relevant derivative transactions the Group has entered into to hedge against such movements.

Foreign exchange risk

Foreign exchange risk is the risk that the Group will sustain losses through adverse movements in currency exchange rates. The Group predominantly operates in the UK, with some transactions from overseas third parties in foreign currencies, which create exposure to non-Sterling income and expenses. The Group's policy is to hold the minimum amount of foreign currency required to cover operational needs and to convert foreign currency on receipt. Direct exposures are limited to operational cash held in overseas subsidiaries, short-term outstanding foreign currency fee debtors and investments in seed denominated in a foreign currency. The Group does not normally hedge these exposures, other than in the case of certain seed investments, which are hedged using foreign exchange forward contracts. These contracts are measured at fair value at the balance sheet date. Foreign currency risk is monitored closely and managed by the finance function.

Foreign exchange rate sensitivity analysis

The Directors believe that 10% gives a reasonable measure of the Group's sensitivity to foreign exchange risk. The following table demonstrates the sensitivity to a possible change in foreign exchange rates, with all other variables held constant, on the Group's profit before tax. This reflects estimated gains and losses on retranslating the Group's foreign currency assets and liabilities at the balance sheet date and not any likely impact on the Group's revenue or costs. The exposure to foreign exchange risk arises principally through operational cash balances held in foreign currencies and seed investments held in non-Sterling share classes. There is no further impact on the Group's equity.

	2022		2021	
Impact on the income statement of change in exchange rates	**+10% £m**	**-10% £m**	+10% £m	-10% £m
Sterling against Euro	**(7.2)**	**8.8**	(6.2)	7.6
Sterling against US Dollar	**(3.6)**	**4.4**	(0.9)	1.1
Sterling against Singaporean Dollar	**(0.3)**	**0.3**	(0.2)	0.2
Sterling against Swiss Franc	**(0.3)**	**0.3**	(0.2)	0.3
Sterling against Hong Kong Dollar	**(1.2)**	**1.4**	(1.2)	1.4

The sensitivity analysis takes account of the relevant derivative transactions the Group has entered into to hedge against such exposures.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's exposure to interest rate risk relates primarily to the Group's cash balances (Note 17). The Group manages interest rate risk via the finance function monitoring of the interest rate cash flow risks and returns. The Group puts cash on deposit at fixed rates of interest for periods of up to three months. The Group's Tier 2 subordinated debt was issued at a fixed interest rate, and therefore has no interest rate risk exposure.

Interest rate sensitivity analysis

The Directors believe that a movement in interest rates of 100bps gives a reasonable measure of the Group's sensitivity to interest rate risk. The following table demonstrates the sensitivity to a possible change in interest rates, with all other variables held constant, on the Group's profit before tax (mainly through the impact on floating rate cash deposits). There is no further impact on the Group's equity.

Impact on the income statement of change in interest rates	**2022 £m**	2021 £m
+100 bps	**2.8**	1.0
-100 bps	**(2.8)**	(0.2)

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract leading to a financial loss in the Group's operating activities.

The Group is exposed to credit risk primarily from its treasury activities, including deposits with banks and financial institutions, but also from its trade receivables and, in certain circumstances, financial assets at FVTPL. Trade receivables are monitored regularly. Historically, default levels have been insignificant. Financial assets at FVTPL expose the Group to credit risk where seed investments in funds are consolidated and those funds hold investments in debt instruments or derivative positions with a positive fair value.

The Group's maximum exposure to credit risk is £391.6m (2021: £354.0m), represented by the carrying value of its non-equity financial assets at FVTPL (£42.4m (2021: £47.4m)), performance fee receivables included in financial assets at FVTPL (£nil (2021: £55.5m)), trade receivables (£68.9m (2021: £53.8m)) and cash and cash equivalents (£280.3m (2021: £197.3m)).

The fair values of the Group's financial liabilities at FVTPL are not affected by changes in the Group's credit risk. There is no difference between the carrying amount of financial liabilities at FVTPL and the amount the Group would be contractually required to pay at maturity.

With regard to credit risk related to financial instruments, the Group's policy is to place deposits only with financial institutions which satisfy minimum counterparty ratings and other criteria. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and thereby mitigate the possibility of financial loss through counterparty failure. The Group monitors any decrease in the creditworthiness of its counterparties.

The table below contains an ageing analysis of current and overdue trade receivables:

	2022 £m	2021 £m
Neither past due nor impaired	**63.0**	53.7
Days past due:		
< 30	**4.0**	–
30-60	**0.1**	0.1
61-90	**–**	–
> 90	**1.8**	–
	68.9	53.8

None of the receivables past due were considered to be impaired (2021: £nil).

The table below contains an analysis of financial assets held by the Group for which credit ratings are available:

	2022				2021			
	Financial assets at FVTPL £m	**Trade receivables £m**	**Cash and cash equivalents £m**	**Total £m**	Financial assets at FVTPL £m	Trade receivables £m	Cash and cash equivalents £m	Total £m
AAA	**5.0**	**–**	**–**	**5.0**	0.1	–	–	0.1
AA	**0.7**	**–**	**–**	**0.7**	0.7	–	–	0.7
A	**2.6**	**0.4**	**163.8**	**166.8**	–	3.5	75.0	78.5
BBB	**11.0**	**–**	**116.5**	**127.5**	4.9	–	122.3	127.2
BB	**15.7**	**–**	**–**	**15.7**	13.8	–	–	13.8
B	**8.3**	**–**	**–**	**8.3**	20.1	–	–	20.1
CCC	**4.1**	**–**	**–**	**4.1**	7.7	–	–	7.7
C	**–**	**–**	**–**	**–**	0.1	–	–	0.1
Not rated	**120.4**	**68.5**	**–**	**188.9**	256.1	50.3	–	306.4
Total	**167.8**	**68.9**	**280.3**	**517.0**	303.5	53.8	197.3	554.6

Financial assets at FVTPL which are not rated comprise equity investments.

Trade and other receivables which are not rated comprise cancellations of units in unit trusts and sales of units in unit trusts, title to which is not transferred until settlement is received.

25. Financial risk management continued

Liquidity risk

Liquidity risk is the risk that the Group may be unable to meet its payment obligations as they fall due or only at a significantly higher cost. The Group produces cash flow forecasts to assist in the efficient management of the collection and payment of liquid assets and liabilities.

The Group's objectives in respect of liquidity are:

- to ensure that both the Group as a whole and individual entities within the Group have access to sufficient liquid funds to trade solvently and meet trading liabilities as they fall due;
- to allow the Group to maintain a flexible dividend policy, taking reference to prior year and prospective profitability, capital requirements and cash flow; and
- to provide the Group with appropriate flexibility over the transferability of its capital and cash balances.

Surplus cash held by the operating entities over and above the balances required for working capital management is held in interest-bearing accounts. Regulated companies ensure that sufficient capital is maintained to meet regulatory requirements.

The Group has access to an RCF of £80.0m (2021: £80.0m) which was unutilised at 31 December 2022 (2021: same). The facility expires in 2023, but it is anticipated that a new facility will be in place for the same amount on expiration of the current facility.

The table below summarises the maturity profile of the Group's financial liabilities at 31 December 2021 and 31 December 2022 based on contractual undiscounted payments:

	2022				2021			
Financial liabilities	Within 1 year or repayable on demand £m	1-5 years £m	> 5 years £m	Total £m	Within 1 year or repayable on demand £m	1-5 years £m	> 5 years £m	Total £m
Loans and borrowings[1]	**4.4**	**58.9**	**–**	**63.3**	4.4	63.3	–	67.7
Lease liabilities	**6.0**	**19.4**	**32.1**	**57.5**	5.7	19.3	36.6	61.6
Trade and other payables	**182.5**	**34.0**	**–**	**216.5**	196.4	41.9	–	238.3
Financial liabilities at FVTPL	**49.2**	**–**	**–**	**49.2**	52.3	–	–	52.3
Total	**242.1**	**112.3**	**32.1**	**386.5**	258.8	124.5	36.6	419.9

1. Includes contractual payments of interest.

Capital management

The Group's objectives when managing its capital and funding structure are to safeguard the Group's ability to continue as a going concern, maintain appropriate financial resources, maximise shareholder value, maintain an optimal capital structure to reduce the cost of capital and to meet working capital requirements.

	2022 £m	2021 £m
Cash and short-term deposits	**280.3**	197.3
Loans and borrowings	**(49.5)**	(49.3)
Net cash and cash equivalents	**230.8**	148.0
Equity[1]	**260.7**	260.8
Retained earnings, foreign currency translation reserve and non-controlling interests	**583.2**	640.0
Equity attributable to shareholders	**843.9**	900.8

1. Share capital, own share reserve and other reserves.

Regulatory capital requirements

The Group considers its share capital, reserves and subordinated debt, which was issued in 2020 and which qualifies as lower Tier 2 capital, to constitute its total capital. The subsidiaries within the Group which are regulated are required to maintain capital resources to comply with the regulatory capital requirements of the FCA and certain overseas financial regulators. Headroom over regulatory capital is discussed by the Risk, Compliance and Capital Committee.

In addition to the capital held to meet regulatory capital requirements, the Group maintains sufficient cash resources to meet its liabilities as and when they fall due, based on regularly produced cash forecasts, modelling both normal and stressed conditions. Liquidity risk is mitigated by the availability of the RCF and the high level of cash in the business.

26. Interests in structured entities

IFRS 12 requires certain disclosures in respect of interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities.

A structured entity is defined as an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only, or when the relevant activities are directed by means of contractual arrangements. The Group has assessed whether the funds it manages are structured entities and concluded that mutual funds and investment trusts managed by the Group are structured entities unless substantive removal or liquidation rights exist.

The Group has interests in these funds through the receipt of management and other fees and, in certain funds, through ownership of fund units or shares. The Group's investments in these funds are subject to the terms and conditions of the respective fund's offering documentation and are susceptible to market price risk. The investments are included in financial assets at FVTPL in the balance sheet.

Where the Group has no equity holding in a fund it manages, the investment risk is borne by the external investors and therefore the Group's maximum exposure to loss relates to future management fees and any uncollected fees at the balance sheet date. Where the Group does have an equity holding, the maximum exposure to loss constitutes the future and uncollected management fees plus the fair value of the Group's investment in that fund.

The Group does not sponsor any of the structured entities and there are no guarantees or commitments.

Direct holdings in unconsolidated structured entities

Direct investments in unconsolidated structured entities comprise seed investments and hedges of awards in fund units or shares in mutual funds and investment trusts, details of which are given below:

	Number of funds	Net AUM of funds £bn	Financial assets at FVTPL £m	Investment management/ performance fees in the year £m	Management/ performance fees receivable £m
As at 31 December 2022	**77**	**32.2**	**167.8**	**318.1**	**14.5**
As at 31 December 2021	78	44.1	247.0	502.7	134.0

Subsidiaries and associates

Information about seed investments judged to be subsidiaries and associates at 31 December 2022 is given below:

Name	Category	Country of Incorporation	Principal Activities	Financial assets at FVTPL £m	Percentage of total AUM held	Share class held by the Group	Date of the end of the fund's reporting period
Jupiter European Smaller Companies	Subsidiary	England & Wales	Unit Trust	17.9	38%	I Acc GBP	30-Aug
Jupiter Global Emerging Markets Focus Fund	Subsidiary	United States	Limited Partnership	4.1	100%	N/A[1]	31-Dec
Jupiter Global Fund SICAV: Europe ex-UK Equity	Subsidiary	Luxembourg	SICAV sub-fund	20.0	61%	I EUR Acc and I GBP Acc	30-Sep
Jupiter Global Fund SICAV: Global Ecology Bond	Subsidiary	Luxembourg	SICAV sub-fund	12.4	99%	I EUR Acc G EUR Acc D EUR Acc I USD Acc HSC G GBP Acc HSC and D GBP ACC HSC	30-Sep
Jupiter Global Fund SICAV: Global High Yield Short Duration Bond	Subsidiary	Luxembourg	SICAV sub-fund	39.2	38%	F EUR Acc D EUR Q Inc Dist L EUR Acc I EUR Acc D EUR Acc D USD Acc HSC I GBP Acc HSC I GBP Q Inc Dist I USD Acc HSC and L USD Acc HSC Dist	30-Sep
Jupiter Global Fund SICAV: Global Sustainable Equities	Subsidiary	Luxembourg	SICAV sub-fund	9.9	87%	A USD Acc D USD Acc G USD Acc I USD Acc L USD Acc N USD Acc T USD Acc D EUR Acc D EUR A Inc G EUR Acc I EUR Acc L EUR Acc L EUR A Inc and T EUR Acc	30-Sep
Jupiter Global Sustainable Equities Fund	Subsidiary	United States	Limited Partnership	4.1	100%	N/A[1]	31-Dec
Jupiter Merlin Real Return	Subsidiary	England & Wales	Unit Trust	6.4	82%	I Class Acc	31-May

1. The subsidiary is a limited partnership where the Group is the sole limited partner.

26. Interests in structured entities continued

Related undertakings other than subsidiaries and associates

Entities in which the Group holds more than 20% of the shares in any single share class, but over which the Group has neither control nor significant influence, are summarised below:

Name	Share class held by the Group	Country of Incorporation	Principal Activities	Financial assets at FVTPL £m	Percentage of share class held by the Group	Percentage of total shares held	Date of the end of the fund's reporting period
Jupiter Asset Management Series Plc: Europe (ex UK) Smaller Companies Fund	U2 GBP Acc	Ireland	ICVC sub-fund	–	99%	0%	31-Dec
Jupiter Asset Management Series Plc: Financial Contingent Capital Fund	F USD Acc	Ireland	ICVC sub-fund	–	100%	0%	31-Dec
Jupiter Asset Management Series Plc: Global Emerging Markets Focus Fund	N USD Acc	Ireland	ICVC sub-fund	–	100%	0%	31-Dec
Jupiter Asset Management Series Plc: Gold & Silver Fund	N USD Acc	Ireland	ICVC sub-fund	–	100%	0%	31-Dec
Jupiter Asset Management Series Plc: Jupiter Emerging Market Debt Income Fund	U2 GBP Acc	Ireland	ICVC sub-fund	–	100%	0%	31-Dec
Jupiter Asset Management Series Plc: Merian Global Dynamic Bond	L EUR Acc	Ireland	ICVC sub-fund	–	100%	0%	31-Dec
Jupiter Asset Management Series Plc: Merian North American Equity Fund	I GBP INC	Ireland	ICVC sub-fund	–	100%	0%	31-Dec
Jupiter Asset Management Series Plc: Merian North American Equity Fund	I USD INC	Ireland	ICVC sub-fund	–	100%	0%	31-Dec
Jupiter Asset Management Series Plc: Merian North American Equity Fund	L USD INC	Ireland	ICVC sub-fund	–	100%	0%	31-Dec
Jupiter Asset Management Series Plc: Merian North American Equity Fund	U2 GBP INC	Ireland	ICVC sub-fund	–	100%	0%	31-Dec
Jupiter Asset Management Series Plc: Merian World Equity Fund	I EUR INC	Ireland	ICVC sub-fund	–	100%	0%	31-Dec
Jupiter Asset Management Series Plc: Merian World Equity Fund	I GBP Acc	Ireland	ICVC sub-fund	–	100%	0%	31-Dec
Jupiter Asset Management Series Plc: Merian World Equity Fund	I GBP INC	Ireland	ICVC sub-fund	–	100%	0%	31-Dec
Jupiter Asset Management Series Plc: Merian World Equity Fund	I USD INC	Ireland	ICVC sub-fund	–	100%	0%	31-Dec
Jupiter Asset Management Series Plc: Merian World Equity Fund	L GBP INC	Ireland	ICVC sub-fund	–	100%	0%	31-Dec
Jupiter Asset Management Series Plc: Merian World Equity Fund	L USD DIS	Ireland	ICVC sub-fund	–	100%	0%	31-Dec
Jupiter Asset Management Series Plc: Merian World Equity Fund	U1 GBP INC	Ireland	ICVC sub-fund	–	100%	0%	31-Dec
Jupiter Asset Management Series Plc: North American Equity Fund (IRL)	P2 GBP Acc	Ireland	ICVC sub-fund	0.6	39%	0%	31-Dec
Jupiter Asset Management Series Plc: North American Equity Fund (IRL)	U2 GBP Acc	Ireland	ICVC sub-fund	0.9	36%	0%	31-Dec
Jupiter Asset Management Series Plc: Strategic Absolute Return Bond Fund	I GBP Acc	Ireland	ICVC sub-fund	0.1	32%	0%	31-Dec
Jupiter Asset Management Series Plc: UK Specialist Equity Fund	I GBP Acc	Ireland	ICVC sub-fund	0.4	67%	0%	31-Dec
Jupiter Global Emerging Markets Fund	L GBP INC	England & Wales	Unit Trust	–	100%	0%	31-May
Jupiter Global Fund SICAV: Asia Pacific Income	C USD Acc	Luxembourg	SICAV sub-fund	0.7	100%	10%	30-Sep
Jupiter Global Fund SICAV: Asia Pacific Income	L SGD Q Inc Dist HSC	Luxembourg	SICAV sub-fund	–	100%	10%	30-Sep
Jupiter Global Fund SICAV: Dynamic Bond	C USD HSC Q Inc	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Dynamic Bond	L JPY Acc HSC	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Dynamic Bond	N USD Acc	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Dynamic Bond ESG	I EUR Q Inc	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Dynamic Bond ESG	I SEK Acc HSC	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Dynamic Bond ESG	L EUR Q Inc Dist	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Dynamic Bond ESG	L SEK Acc HSC	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Dynamic Bond ESG	Y EUR Acc	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: European Growth	C USD Acc HSC	Brazil	SICAV sub-fund	1.0	80%	0%	30-Sep
Jupiter Global Fund SICAV: European Growth	E USD Acc	Brazil	SICAV sub-fund	1.2	63%	0%	30-Sep
Jupiter Global Fund SICAV: European Growth	FIA IE	Luxembourg	SICAV sub-fund	–	32%	0%	30-Sep
Jupiter Global Fund SICAV: European Growth	C USD Acc HSC	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: European Growth	N USD Acc	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep

Name	Share class held by the Group	Country of Incorporation	Principal Activities	Financial assets at FVTPL £m	Percentage of share class held by the Group	Percentage of total shares held	Date of the end of the fund's reporting period
Jupiter Global Fund SICAV: European Growth	USD FC FIA IE	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Financial Innovation	A USD Acc HSC	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Financial Innovation	D USD Acc HSC	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Financial Innovation	N USD Acc	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Financial Innovation	N USD Acc HSC	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Global Convertibles	A USD Acc HSC	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Global Convertibles	C USD Acc HSC	Luxembourg	SICAV sub-fund	–	35%	0%	30-Sep
Jupiter Global Fund SICAV: Global Convertibles	N USD Acc HSC	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Global Ecology Growth	D EUR Acc	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Global Emerging Markets Corporate Bond	A USD Q INC	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Global Emerging Markets Corporate Bond	D GBP A INC HSC	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Global Emerging Markets Corporate Bond	I CHF Acc HSC	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Global Emerging Markets Short Duration Bond	C USD Acc	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Global Equity Growth Unconstrained	D EUR Hedged Acc HSC	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Global Equity Growth Unconstrained	G EUR Acc	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Global Equity Growth Unconstrained	N USD Acc	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Japan Select	A USD Acc	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Japan Select	D GBP S Inc PHSC	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Jupiter Global Sovereign Opportunities	A USD Acc	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Jupiter Global Sovereign Opportunities	D EUR Acc HSC	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Jupiter Global Sovereign Opportunities	D USD Acc	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Jupiter Global Sovereign Opportunities	I EUR Acc HSC	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Jupiter Global Sovereign Opportunities	L USD Acc	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Jupiter Global Sovereign Opportunities	N USD Acc	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Pan European Smaller Companies	A USD Acc HSC	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Pan European Smaller Companies	C USD Acc HSC	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Pan European Smaller Companies	D GBP Acc HSC	Luxembourg	SICAV sub-fund	–	31%	0%	30-Sep
Jupiter Global Fund SICAV: Pan European Smaller Companies	L USD Acc HSC	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Global Fund SICAV: Pan European Smaller Companies	N USD Acc HSC	Luxembourg	SICAV sub-fund	–	100%	0%	30-Sep
Jupiter Investment Funds Series II: Global Strategic Bond Fund	U2 GBP Inc	England & Wales	OEIC sub-fund	–	100%	0%	31-Oct
Jupiter Investment Management Series I: Monthly Income Bond Fund	U2 GBP Inc	England & Wales	OEIC sub-fund	–	100%	0%	31-Jul
Jupiter Investment Management Series I: UK Opportunities Fund	I GBP Acc	England & Wales	OEIC sub-fund	–	21%	1%	31-Jul
Jupiter Investment Management Series I: UK Smaller Companies Fund	I GBP Acc	England & Wales	OEIC sub-fund	0.5	24%	0%	31-Jul
Jupiter Responsible Income Fund	GBP U2 Acc	England & Wales	Unit Trust	–	100%	0%	30-Sep

27. Related parties

The Group manages a number of investment trusts, unit trusts, OEICs, SICAVs, ICVCs, an ICAV (closed in 2021), a hedge fund (closed in 2022) and Delaware LPs and receives management and, in some instances, performance fees for providing this service. The precise fee arrangements are disclosed within the financial statements of each investment management subsidiary of the Group or within other publicly available information. By virtue of the investment management agreements in place between the Group and the collective investment vehicles it manages, such funds may be considered to be related parties. Investment management and performance fees are disclosed in Note 1.

The Group acts as manager for 34 (2021: 38) authorised unit trusts and 12 (2021: 12) OEICs. Each unit trust is jointly administered with the trustees, Northern Trust Global Services SE. The aggregate total value of transactions for the year was £2,714m (2021: £1,912m) for unit trust creations and £3,570m (2021: £3,692m) for unit trust redemptions/liquidations. The actual aggregate amount due from (2021: from) the trustees at the end of the accounting year in respect of transactions awaiting settlement was £24.0m (2021: £2.6m). The Group also acts as the management company for the Jupiter Global Fund and Jupiter Investment (formally Merlin) Fund SICAVs, made up of 20 sub-funds (2021: 19) and four sub-funds (2021: four) respectively as well as the Jupiter Investment Management Series II (previously known as the Merian Investment Fund Series II) and the Jupiter Asset Management Series plc (previously known as the Merian Global Investors Series plc), made up of 12 (2021: 12) and 18 (2021: 21) sub-funds respectively.

The amounts received in respect of gross management, registration and performance fee charges were £254.8m (2021: £283.6m) for unit trusts, £60.9m (2021: £87.0m) for OEICs, £100.8m (2021: £122.8m) for SICAVs, £49.9m (2021: £48.2m) for ICVCs, £6.4m (2021: £119.5m) for investment trusts and £27.0m (2021: £25.9m) for segregated mandates. At the end of the year, there was £28.9m (2021: £31.2m) accrued for annual management fees, £1.4m (2021: £3.2m) in respect of registration fees and £9.7m (2021: £113.0m) in respect of performance fees.

Included within financial instruments (see Note 15) are seed investments and hedges of awards in fund units in mutual funds and investment trusts managed, but not controlled, by the Group. At 31 December 2022, the Group had a total net investment in such funds of £53.1m (2021: £131.6m) and received distributions of £1.0m (2021: £1.1m). During 2022, it invested £24.1m (2021: £57.5m) in these funds and made disposals of £86.6m (2021: £66.2m).

At 31 December 2022, none of the Group's key management personnel had invested in the Group's subordinated debt issued in 2020. In 2021, three members of key management personnel had invested in the sum of £1.6m. The investments were made on terms equivalent to those that prevail in arm's length transactions.

Key management compensation

Transactions with key management personnel also constitute related party transactions. Key management personnel are defined as the Directors, together with other members of the Executive Committee. The aggregate compensation paid or payable to key management for employee services is shown below:

	2022 £m	2021 £m
Short-term employee benefits	**3.8**	5.5
Share-based payments	**1.6**	6.9
Other long-term employee benefits	**1.7**	0.4
	7.1	12.8

28. Basis of preparation and other accounting policies

Basis of preparation

The consolidated financial statements have been prepared in accordance with UK-adopted IAS and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The financial statements have been prepared on a going concern basis using the historical cost convention modified by the revaluation of certain financial assets and financial liabilities (including derivatives) that have been measured at fair value. After reviewing the Group's current plans and forecasts and financing arrangements, as well as the current trading activities of the Group, the Directors consider that the Group has adequate resources to continue operating for a period of at least 12 months from the date of signing.

In preparing the financial statements, we have considered the impact of climate change, particularly in the context of the disclosures included on Sustainability woven through the fabric of our firm this year on pages 36 to 51. There has not been a material impact on the financial reporting judgements and estimates arising from our considerations. We have specifically considered the impact of climate change in our goodwill assessment (see Note 11).

Basis of accounting

The consolidated financial statements for the year ended 31 December 2022 include the consolidated financial information of the Company and its subsidiaries. The accounting policies set out those policies that have been applied consistently in preparing the Group financial statements. No Standards or Interpretations have been issued that have had or are expected to have an impact on the Group's financial statements. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed later in this note within the section Critical accounting estimates, judgements and assumptions.

Business combinations

The Group applies the acquisition method to account for business combinations. The consideration for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and any equity interests issued by the Group. The consideration includes the fair value of any asset or liability resulting from contingent or deferred consideration arrangements.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Basis of consolidation

Subsidiaries

Subsidiaries are those entities over which the Group has control. The Group controls an entity if it is judged to have all of the following:

- power over the investee;
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

The Group's subsidiaries comprise operating and holding companies, and those funds where the Group acts as fund manager which are consolidated as a result of additional exposure to the variable returns of the funds through seed investment. Where we own 100% of an operating or holding company, our judgement is that the above elements of control are immediately satisfied and that the companies are therefore subsidiaries of the Group.

Seed investments are accounted for as subsidiaries, associates or other financial investments depending on the holdings of the Group and on the level of influence and control that the Group is judged to have.

Significant area of judgement

In determining the level of control for seed investments, additional judgement is required. The Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including the purpose and design of an investee, relevant activities, substantive and protective rights, and voting rights and potential voting rights. Exposure to variable returns is usually determined by the earning of management fees, and the percentage investment in the funds' net assets. Where the value of the Group's holding exceeds 50% of the total value of the fund, the Group deems control to automatically exist. Where ownership is under 50%, the Group applies a rebuttable presumption that interests amounting to 30% or more are consolidated, subject to review of the facts and circumstances of each individual investment relevant to establishing whether the Group is acting as principal or agent to the fund. These include the potential for large performance fees to be earned, an assessment of kick-out rights and the existence of any other large investors in the fund. Kick-out rights rarely vary between the different types of funds that the Group manages; the percentage investment in a fund is therefore the primary means for determining whether control exists for the Group, and the determination of the threshold to be used as the rebuttable presumption is a key area of judgement for the Group. This judgement determines the extent to which the Group's balance sheet is grossed up to reflect additional financial instruments under the Group's control and, as the value of such instruments is material to the Group, this has been included as a significant area of judgement as set out below.

28. Basis of preparation and other accounting policies continued

The Group has seed investments in both its unit trusts and its SICAV sub-funds. The Group's judgement is that control can exist in a sub-fund, even if it does not exist in the whole of the umbrella fund, as the sub-funds have no cross-liability risk to other sub-funds or to the SICAV umbrella fund and thus should be accounted for as separate entities.

The Group reassesses whether or not it controls an entity if facts or circumstances indicate that there are changes to one or more of the three elements of control.

A list of subsidiaries, split into operating and holding companies and consolidated funds, is provided in Note 31. Consistent accounting policies are applied across all Group companies. Intra-group transactions, balances, income and expenses are eliminated on consolidation. The transactions and balances of subsidiaries are consolidated in these financial statements from the date that control commences until the date that control ceases. Where external investors hold shares in funds controlled by the Group, the portion of profit or loss and net assets held by these non-controlling interests is included within other gains/losses in the consolidated income statement and as liabilities at FVTPL in the consolidated balance sheet respectively.

Foreign currency

(i) Functional and presentational currency

Items included in the financial information of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in Sterling, which is both the Company's functional and presentational currency as well as the currency in which the majority of the Group's revenue streams, assets and liabilities are denominated.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement within administrative expenses. Translation differences on non-monetary financial assets and liabilities, such as equities held at FVTPL, are recognised in the consolidated income statement as part of other gains/losses.

(iii) Group companies

The assets and liabilities of Group entities that have a functional currency different from the presentational currency are translated at the closing rate at the balance sheet date, with income and expenses translated at average monthly exchange rates. Resulting exchange differences are recognised as a separate component of other comprehensive income and are recycled to the income statement on disposal or liquidation of the relevant branch or subsidiary.

New standards and interpretations not applied

The International Accounting Standards Board and IFRS Interpretations Committee (IFRS IC) have issued a number of new accounting standards, interpretations, and amendments to existing standards and interpretations. There are no IFRSs or IFRS IC interpretations that are not yet effective that would be expected to have a material impact on the Group.

Critical accounting estimates, judgements and assumptions

The preparation of the financial information requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities. If such estimates and assumptions, which are based on management's best judgement at the date of preparation of the financial information, deviate from actual circumstances, the original estimates and assumptions are modified as appropriate in the period in which the circumstances change.

There are no instances in these financial statements where there is a reasonable level of risk that the use of estimates could lead to a material change within the next financial year. However, there are areas of the financial statements where the use of estimation is important, but where the risk of material adjustment is not significant, being:

Note

5 Share-based payments;

6 Fund-based deferred compensation awards;

11 Goodwill; and

13 Calculation of lease assets and liabilities.

The areas where judgements are significant to the Group financial statements are discussed in the following notes:

11 Goodwill;

13 Calculation of lease assets and liabilities; and

28 Consolidation of seed investments.

Company balance sheet

	Notes	2022 £m	2021 £m
Non-current assets			
Investment in subsidiary undertakings	30	**552.3**	541.1
Deferred tax assets		**1.3**	–
		553.6	541.1
Current assets			
Financial assets at FVTPL	32	**16.8**	13.3
Trade and other receivables	33	**105.6**	104.4
Cash and cash equivalents	34	**0.9**	1.0
		123.3	118.7
Total assets		**676.9**	659.8
Equity capital and reserves			
Share capital	20	**10.9**	11.1
Own share reserve	21	**(0.5)**	(0.4)
Other reserves	21	**250.3**	250.1
Retained earnings at 1 January		**195.8**	254.7
Profit for the year		**37.0**	73.6
Other movements		**(107.9)**	(132.5)
Retained earnings		**124.9**	195.8
Total equity		**385.6**	456.6
Non-current liabilities			
Loans and borrowings	18	**49.5**	49.3
Trade and other payables	36	**1.3**	–
		50.8	49.3
Current liabilities			
Trade and other payables	36	**240.5**	153.8
Current income tax liability		**–**	0.1
		240.5	153.9
Total liabilities		**291.3**	203.2
Total equity and liabilities		**676.9**	659.8

The financial statements of Jupiter Fund Management plc (registered number 6150195) on pages 179 to 185 were approved by the Board of Directors and authorised for issue on 23 February 2022. They were signed on its behalf by:

WAYNE MEPHAM
Chief Financial Officer

Company statement of changes in equity

	Share capital £m	Own share reserve £m	Other reserves £m	Retained earnings £m	**Total £m**
At 1 January 2021	**11.1**	**(0.2)**	**250.1**	**254.7**	**515.7**
Profit for the year	–	–	–	73.6	73.6
Total comprehensive income	**–**	**–**	**–**	**73.6**	**73.6**
Vesting of ordinary shares and options	–	0.1	–	–	0.1
Dividends paid	–	–	–	(109.8)	(109.8)
Share-based payments	–	–	–	25.5	25.5
Purchase of shares by EBT	–	(0.3)	–	(48.2)	(48.5)
Total transactions with owners	**–**	**(0.2)**	**–**	**(132.5)**	**(132.7)**
At 31 December 2021	**11.1**	**(0.4)**	**250.1**	**195.8**	**456.6**
Profit for the year	**–**	**–**	**–**	**37.0**	**37.0**
Total comprehensive income	**–**	**–**	**–**	**37.0**	**37.0**
Vesting of ordinary shares and options	**–**	**0.1**	**–**	**(0.1)**	**–**
Share repurchases and cancellations[1]	**(0.2)**	**–**	**0.2**	**(10.0)**	**(10.0)**
Dividends paid	**–**	**–**	**–**	**(90.2)**	**(90.2)**
Share-based payments	**–**	**–**	**–**	**13.6**	**13.6**
Purchase of shares by EBT	**–**	**(0.2)**	**–**	**(21.2)**	**(21.4)**
Total transactions with owners	**(0.2)**	**(0.1)**	**0.2**	**(107.9)**	**(108.0)**
At 31 December 2022	**10.9**	**(0.5)**	**250.3**	**124.9**	**385.6**
Notes	20	21	21		

1. See Note 20 for details on movements in issued share capital.

Company statement of cash flows

	Notes	**2022 £m**	2021 £m
Cash flows from operating activities			
Cash generated from operations	35	**122.0**	173.1
Net cash inflows from operating activities		**122.0**	173.1
Cash flows from investing activities			
Purchase of financial assets at FVTPL		**(0.6)**	(14.0)
Proceeds from sale of financial assets at FVTPL		**2.9**	2.8
Proceeds from net asset adjustment in respect of 2020 Merian acquisition		**–**	1.8
Net cash inflows/(outflows) from investing activities		**2.3**	(9.4)
Cash flows from financing activities			
Share repurchases		**(8.0)**	–
Purchase of shares by EBT		**(21.4)**	(48.5)
Finance costs paid		**(4.8)**	(4.9)
Dividends paid	22	**(90.2)**	(109.8)
Net cash outflows from financing activities		**(124.4)**	(163.2)
Net (decrease)/increase in cash and cash equivalents		**(0.1)**	0.5
Cash and cash equivalents at beginning of year		**1.0**	0.5
Cash and cash equivalents at end of year	34	**0.9**	1.0

29. Accounting policies

Basis of preparation

The separate financial statements of the Company have been prepared in accordance with UK-adopted IAS and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The principal accounting policies adopted are the same as those set out in the Group's financial statements.

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain financial assets that have been measured at fair value. The Company has taken advantage of the exemption in section 408 of the Act not to present its own income statement. The Company's profit for the year was £37.0m (2021: £73.6m).

Investments in subsidiary undertakings

Investments in subsidiary undertakings are held at cost less provision for impairment.

Share-based payments

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to the investment in subsidiary undertakings, with a corresponding credit to equity in the Company financial statements.

30. Investment in subsidiary undertakings

	2022 £m	2021 £m
At 1 January	**541.1**	515.6
Share-based payments	**11.2**	25.5
At 31 December	**552.3**	541.1

During 2021 and 2022, a number of subsidiary companies granted options to their employees over the shares of Jupiter Fund Management plc. For accounting purposes, these grants are recorded as investments by the Company in its subsidiary undertakings.

31. Related undertakings

The following information relates to the Company's operating subsidiaries. At 31 December 2021 and 2022 (unless otherwise indicated), with the exception of Jupiter Fund Management Group Limited and Merian Global Investors Limited, these were all indirectly held, although the Company has some direct investments in operating subsidiaries for accounting purposes as a result of share-based payment awards (see Note 30). All subsidiaries have the same reporting dates and period of reporting as the parent Company. The parent held directly or indirectly all of the issued ordinary shares and controlled all of the voting rights in all of the subsidiaries, unless otherwise indicated. All subsidiaries have been consolidated in the Group financial statements and operate and are incorporated in the countries in which they are registered.

Name	Registered office	Principal activities
Jupiter Asset Management (Asia Pacific) Limited	6th Floor, Alexandra House, 18 Chater Road, Central, Hong Kong	Investment management
Jupiter Asset Management (Asia) Private Limited	50 Raffles Place, #27-01 Singapore Land Tower, Singapore	Investment management
Jupiter Asset Management Australia Pty Limited	Level 10, 68 Pitt Street, Sydney, Australia	Investment management
Jupiter Asset Management (Canada) Limited	45 O'Connor Street, Ottawa, Canada	Dormant
Jupiter Asset Management (Europe) Limited	53 Merrion Square, South Dublin, Ireland	ICVC management
Jupiter Asset Management Group Limited	70 Victoria Street, London, UK	Investment holding company
Jupiter Asset Management (Hong Kong) Limited	6th Floor, Alexandra House, 18 Chater Road, Central, Hong Kong	Investment management
Jupiter Asset Management International S.A	5 Rue Heienhaff, Senningerberg, L-1736, Luxembourg	SICAV management
Jupiter Asset Management Limited	70 Victoria Street, London, UK	Investment management
Jupiter Asset Management (N America) Inc	1209 Orange Street, Wilmington, Delaware, USA	Investment holding company
Jupiter Asset Management (Switzerland) AG	16 Löwenstrasse, Zurich, Switzerland	Investment management
Jupiter Asset Management US LLC	1675 South State Street, #B, Dover, Delaware, USA	Investment management
Jupiter Fund Management Group Limited	70 Victoria Street, London, UK	Investment holding company
Jupiter Fund Managers Limited	70 Victoria Street, London, UK	OEIC management
Jupiter Investment Management Group Limited	70 Victoria Street, London, UK	Investment holding company
Jupiter Investment Management Holdings LLC	1675 South State Street, #B, Dover, Delaware, USA	Investment holding company

31. Related undertakings continued

Name	Registered office	Principal activities
Jupiter Investment Management Limited	70 Victoria Street, London, UK	Investment management
Jupiter Investment Trust Limited	70 Victoria Street, London, UK	Dormant
Jupiter Management GP LLC	1675 South State Street, #B, Dover, Delaware, USA	Investment management
Jupiter Unit Trust Managers Limited	70 Victoria Street, London, UK	Unit trust management
Knightsbridge Asset Management Limited	70 Victoria Street, London, UK	Investment holding company
Merian Global Investors (Finance) Limited	47 Esplanade, St Helier, Jersey, Channel Islands	Investment holding company
Merian Global Investors Holdings Limited	70 Victoria Street, London, UK	Investment holding company
Merian Global Investors (Jersey) Limited	47 Esplanade, St Helier, Jersey, Channel Islands	Investment holding company
Merian Global Investors Limited	47 Esplanade, St Helier, Jersey, Channel Islands	Investment holding company
NZS Capital LLC (25% ownership)	850 New Burton Road, #201, Dover, Delaware, USA	Investment management
Tyndall Holdings Limited	70 Victoria Street, London, UK	Investment holding company
Tyndall Investments Limited	70 Victoria Street, London, UK	Dormant

Jupiter Asset Management Australia Pty Limited was incorporated on 19 January 2022. Merian Global Investors (Singapore) PTE Limited was dissolved via a Members' Voluntary Liquidation on 26 August 2022.

The following information relates to seed investments which are judged to be subsidiaries of the Group at 31 December 2022:

Name	Registered office	Principal activities	Percentage of AUM indirectly held by the Company
Jupiter European Smaller Companies Fund	70 Victoria Street, London, UK	Unit Trust	38%
Jupiter Global Emerging Markets Focus Fund	1756 Platte Street, Denver, USA	Limited Partnership	100%
Jupiter Global Fund SICAV: Europe ex-UK Equity	6 Route de Trèves, Senningerberg, Luxembourg	SICAV sub-fund	61%
Jupiter Global Fund SICAV: Global Ecology Bond	6 Route de Trèves, Senningerberg, Luxembourg	SICAV sub-fund	99%
Jupiter Global Fund SICAV: Global High Yield Short Duration Bond	6 Route de Trèves, Senningerberg, Luxembourg	SICAV sub-fund	38%
Jupiter Global Fund SICAV: Global Sustainable Equities	6 Route de Trèves, Senningerberg, Luxembourg	SICAV sub-fund	87%
Jupiter Global Sustainable Equities Fund	1756 Platte Street, Denver, USA	Limited Partnership	100%
Jupiter Merlin Real Return	70 Victoria Street, London, UK	Unit Trust	82%

The following information relates to seed investments in funds where the Group holds more than 20% of the shares in any single share class, but over which the Group has neither control nor significant influence:

Name	Registered office	Principal activities
Jupiter Asset Management Series Plc: Europe (ex UK) Smaller Companies Fund	53 Merrion Square, South Dublin, Ireland	ICVC sub-fund
Jupiter Asset Management Series Plc: Financial Contingent Capital Fund	53 Merrion Square, South Dublin, Ireland	ICVC sub-fund
Jupiter Asset Management Series Plc: Global Emerging Markets Focus Fund	53 Merrion Square, South Dublin, Ireland	ICVC sub-fund
Jupiter Asset Management Series Plc: Gold & Silver Fund	53 Merrion Square, South Dublin, Ireland	ICVC sub-fund
Jupiter Asset Management Series Plc: Jupiter Emerging Market Debt Income Fund	53 Merrion Square, South Dublin, Ireland	ICVC sub-fund
Jupiter Asset Management Series Plc: Merian Global Dynamic Bond	53 Merrion Square, South Dublin, Ireland	ICVC sub-fund
Jupiter Asset Management Series Plc: Merian North American Equity Fund	53 Merrion Square, South Dublin, Ireland	ICVC sub-fund
Jupiter Asset Management Series Plc: Merian World Equity Fund	53 Merrion Square, South Dublin, Ireland	ICVC sub-fund
Jupiter Asset Management Series Plc: North American Equity Fund (IRL)	53 Merrion Square, South Dublin, Ireland	ICVC sub-fund
Jupiter Asset Management Series Plc: Strategic Absolute Return Bond	53 Merrion Square, South Dublin, Ireland	ICVC sub-fund
Jupiter Asset Management Series Plc: UK Specialist Equity Fund	53 Merrion Square, South Dublin, Ireland	ICVC sub-fund
Jupiter Global Emerging Markets Fund	70 Victoria Street, London, UK	Unit Trust
Jupiter Global Fund SICAV: Asia Pacific Income	6 Route de Trèves, Senningerberg, Luxembourg	SICAV sub-fund
Jupiter Global Fund SICAV: Dynamic Bond	6 Route de Trèves, Senningerberg, Luxembourg	SICAV sub-fund
Jupiter Global Fund SICAV: Dynamic Bond ESG	6 Route de Trèves, Senningerberg, Luxembourg	SICAV sub-fund
Jupiter Global Fund SICAV: European Growth	6 Route de Trèves, Senningerberg, Luxembourg	SICAV sub-fund
Jupiter Global Fund SICAV: Financial Innovation	6 Route de Trèves, Senningerberg, Luxembourg	SICAV sub-fund
Jupiter Global Fund SICAV: Global Convertibles	6 Route de Trèves, Senningerberg, Luxembourg	SICAV sub-fund

Name	Registered office	Principal activities
Jupiter Global Fund SICAV: Global Ecology Growth	6 Route de Trèves, Senningerberg, Luxembourg	SICAV sub-fund
Jupiter Global Fund SICAV: Global Emerging Markets Corporate Bond	6 Route de Trèves, Senningerberg, Luxembourg	SICAV sub-fund
Jupiter Global Fund SICAV: Global Emerging Markets Short Duration Bond	6 Route de Trèves, Senningerberg, Luxembourg	SICAV sub-fund
Jupiter Global Fund SICAV: Global Equity Growth Unconstrained	6 Route de Trèves, Senningerberg, Luxembourg	SICAV sub-fund
Jupiter Global Fund SICAV: Japan Select	6 Route de Trèves, Senningerberg, Luxembourg	SICAV sub-fund
Jupiter Global Fund SICAV: Jupiter Global Sovereign Opportunities	6 Route de Trèves, Senningerberg, Luxembourg	SICAV sub-fund
Jupiter Global Fund SICAV: Pan European Smaller Companies	6 Route de Trèves, Senningerberg, Luxembourg	SICAV sub-fund
Jupiter Investment Funds Series II: Global Strategic Bond Fund	70 Victoria Street, London	OEIC sub-fund
Jupiter Investment Management Series I: Monthly Income Bond Fund	70 Victoria Street, London	OEIC sub-fund
Jupiter Investment Management Series I: UK Opportunities Fund	70 Victoria Street, London	OEIC sub-fund
Jupiter Investment Management Series I: UK Smaller Companies Fund	70 Victoria Street, London	OEIC sub-fund
Jupiter Responsible Income Fund	70 Victoria Street, London	Unit Trust

32. Financial assets at FVTPL

Financial assets at FVTPL are carried at fair value, with gains and losses recognised in the income statement in the period in which they arise. Financial assets at FVTPL comprise shares in certain funds managed by the Group held in the EBT in order to hedge compensation awards made by a subsidiary of the Company.

	2022 £m	2021 £m
Financial assets		
Financial assets at FVTPL	**16.8**	13.3
	16.8	13.3

33. Trade and other receivables

Trade and other receivables are initially recorded at fair value and subsequently at amortised cost. All trade and other receivables are due within one year or repayable on demand. In line with the Company's historical experience, and after consideration of current credit exposures, the Company does not expect to incur any credit losses and has not recognised any expected credit losses in the current year (2021: £nil).

	2022 £m	2021 £m
Amounts due from subsidiaries	**105.5**	104.3
Prepayments and accrued income	**0.1**	0.1
	105.6	104.4

34. Cash and cash equivalents

	2022 £m	2021 £m
Cash at bank and in hand	**0.7**	0.7
Cash held by EBT	**0.2**	0.3
	0.9	1.0

35. Cash flows from operating activities

	2022 £m	2021 £m
Operating profit	**39.0**	77.9
Adjustments for:		
Fair value losses on financial assets at FVTPL	**–**	3.8
Share-based payments	**2.4**	–
Decrease in trade and other receivables	**0.6**	0.6
Increase in trade and other payables	**80.0**	90.7
Cash inflows on exercise of share options	**–**	0.1
Cash generated from operations	**122.0**	173.1

36. Trade and other payables

Non-current	2022 £m	2021 £m
Accruals	1.0	–
Social security and other taxes	0.3	–
	1.3	–

Current	2022 £m	2021 £m
Amounts due to subsidiaries	233.7	150.3
Accruals	4.7	3.5
Social security and other taxes	0.1	–
Other payables	2.0	–
	240.5	153.8

37. Financial instruments

Financial instruments by category

The carrying value of the financial instruments of the Company at 31 December is shown below:

2022	Financial assets held at amortised cost £m	Financial assets held at FVTPL £m	Financial liabilities held at amortised cost £m	Total financial instruments £m	Non-financial instruments £m	Total £m
Investment in subsidiary undertakings	–	–	–	–	552.3	552.3
Deferred tax assets	–	–	–	–	1.3	1.3
Financial assets at FVTPL	–	16.8	–	16.8	–	16.8
Current trade and other receivables	105.6	–	–	105.6	–	105.6
Cash and cash equivalents	0.9	–	–	0.9	–	0.9
Non-current loans and borrowings	–	–	(49.5)	(49.5)	–	(49.5)
Non-current trade and other payables[1]	–	–	(1.0)	(1.0)	(0.3)	(1.3)
Current trade and other payables[1]	–	–	(240.4)	(240.4)	(0.1)	(240.5)
Total	106.5	16.8	(290.9)	(167.6)	553.2	385.6

2021	Financial assets held at amortised cost £m	Financial assets held at FVTPL £m	Financial liabilities held at amortised cost £m	Total financial instruments £m	Non-financial instruments £m	Total £m
Investment in subsidiary undertakings	–	–	–	–	541.1	541.1
Financial assets at FVTPL	–	13.3	–	13.3	–	13.3
Current trade and other receivables	104.4	–	–	104.4	–	104.4
Cash and cash equivalents	1.0	–	–	1.0	–	1.0
Non-current loans and borrowings	–	–	(49.3)	(49.3)	–	(49.3)
Current trade and other payables	–	–	(153.8)	(153.8)	–	(153.8)
Current income tax liability[1]	–	–	–	–	(0.1)	(0.1)
Total	105.4	13.3	(203.1)	(84.4)	541.0	456.6

1. Social security and other taxes do not meet the definition of financial instruments.

For financial instruments held at 31 December 2022, issued subordinated debt, recorded within non-current loans and borrowings above, had a fair value of £51.0m (2021: £58.8m), less unamortised expenses of £0.2m (2021: £0.3m).

At 31 December 2021 and 2022, the following hierarchy was used for determining and disclosing the fair value of financial instruments:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: other techniques, for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data (unobservable inputs).

As at 31 December 2022, the Company held the following financial instruments measured at fair value:

2022	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Financial assets at FVTPL – funds	16.8	–	–	16.8

As at 31 December 2021, the Company held the following financial instruments measured at fair value:

2021	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Financial assets at FVTPL – funds	13.3	–	–	13.3

Financial assets at FVTPL

Financial assets at FVTPL – funds relates to hedges of compensation awards made in shares in an investment trust.

Price risk

Price risk is the risk that a decline in the value of assets will adversely impact the profitability of the Company. Management has identified price risk as the exposure to unfavourable movements in the value of financial assets held by the Company which would result in a loss recognised in the consolidated income statement. The Company is not exposed to commodity price risk. The Company, through an EBT, holds listed equity investments as a hedge against compensation awards made by a subsidiary of the Company. Gains and losses are borne by the subsidiary and, as a result, the Company is not subject to price risk on these investments.

The Company's exposure to foreign exchange, interest rate, credit and liquidity risk is not considered to be material and, therefore, no further information is provided.

38. Related parties

Investments in subsidiary undertakings are disclosed in Note 30 and the amounts due from and to subsidiaries in Notes 33 and 36.

Key management compensation

The Company also considers transactions with its key management personnel as related party transactions. Key management personnel is defined as the Directors, together with other members of the Executive Committee. The aggregate compensation paid or payable to key management for employee services is shown below:

	2022 £m	2021 £m
Short-term employee benefits	**1.7**	2.3
Share-based payments	**0.5**	2.4
Other long-term benefits	**0.6**	0.1
	2.8	4.8

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JUPITER FUND MANAGEMENT PLC

Report on the audit of the financial statements

Opinion

In our opinion, Jupiter Fund Management plc's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2022 and of the group's profit and the group's and company's cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Accounts 2022 (the "Annual Report"), which comprise: the consolidated and company balance sheets as at 31 December 2022; the consolidated income statement, the consolidated statement of comprehensive income, the consolidated and company statements of cash flows and the consolidated and company statements of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Our opinion is consistent with our reporting to the Audit and Risk Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in note 3 to the group financial statements, we have provided no non-audit services to the company or its controlled undertakings in the period under audit.

Our audit approach

Context

Jupiter Fund Management plc (the "group" or "company") is an active fund manager servicing retail and institutional clients. The company listed on the London Stock Exchange in 2010. The group operates principally in the United Kingdom with international operating subsidiaries in Luxembourg, which has branches across Europe, Ireland, Hong Kong, Singapore, the United States and Switzerland.

Overview

Audit scope

- We performed an audit of the complete financial information of Jupiter Asset Management Limited and Jupiter Investment Management Limited (which are significant components as each represent more than 15% of the underlying profit before tax before performance fee profits of the group), Jupiter Unit Trust Managers Limited, Jupiter Asset Management International S.A, Jupiter Fund Managers Limited and Jupiter Fund Management plc based on their size and risk.
- As the adjustments made for the consolidation, including those for the seeded funds, are material for a number of financial statement line items (FSLIs), we scoped in these adjustments as separate components and performed audit testing.
- We also performed specific audit procedures on certain balances and the financial statement disclosures.
- Taken together, our audit work covered more than 94% of group revenue and 96% of profit before tax. Our audit scope provided sufficient appropriate audit evidence as a basis for our opinion on the group financial statements as a whole.

Key audit matters

- Revenue recognition (group)
- Share-based payments expense and fund unit award employee benefits (group and parent)
- Impairment of goodwill (group)

Materiality

- Overall group materiality: £5.1 million (2021: £9.0 million) based on 5% of underlying profit before tax before performance fee profits (2021: profit before tax).
- Overall company materiality: £6.7 million (2021: £6.6 million) based on 1% of total assets (2021: total assets).
- Performance materiality: £3.8 million (2021: £6.75 million) (group) and £5.0 million (2021: £4.9 million) (company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Current and deferred tax, which was a key audit matter last year, is no longer included because of those matters not being as significant to the year ended 31 December 2022. Otherwise, the key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition (group) *Refer to Note 1. Revenue and Note 28. Basis of preparation and other accounting policies.* Revenue is the most significant balance in the consolidated income statement. The group's primary source of revenue is management fees. Management fees are earned from ongoing business activities and are shown net of rebates. The group also earns performance fees when agreed performance conditions have been met. Management fees consist of gross management fees from pooled funds, which includes, ICVCs, OEICs, SICAVs, unit trusts and investment trusts; and segregated mandates. The funds managed by the group are administered by various third party service providers. The value of management fees, net of rebates and discounts, received during the year was £430.1m. The majority of this revenue relates to management fees from pooled funds, with segregated mandates contributing £26.3m. The key risk areas related to management fees include: • fee terms being incorrectly interpreted or entered into fee calculations; • assets under management ('AUM') not being correctly attributed to fee agreements; • errors in manual calculations (for segregated mandates only); and • rebates not recorded completely and accurately. The value of performance fees received during the year was £10.3m. Performance fees are manually calculated and more complicated than management fee calculations, increasing the risk of error. The performance fee calculation requires accurate implementation of the methodology set out in the investment management arrangements listed in the legal agreements which are bespoke to each fund / client. Given the significance of management fees, and the complexity of performance fees, to the income statement we have determined management fees and performance fees to be a key audit matter.	We understood and evaluated the design and implementation of key controls in place around revenue, which included outsourced administration activities at third-party service providers. We performed a fully substantive audit with the exception of relying on controls in relation to the information obtained directly from the third-party service providers relating to AUM. This is outlined further below. To obtain comfort over the accuracy of management fees received from pooled funds, we 100% recalculated the management fee for the in-scope entities by obtaining AUM data from the third parties and applying the fee rates. For a sample of fee calculations we agreed the fee rates to supporting evidence such as the fact sheet or prospectus. To place reliance on the AUM information obtained from the third parties, we obtained control reports issued by the independent service auditor of the third party providers. Where their reports are not coterminous with the year end, we have obtained and reviewed bridging letters issued by the third-party providers and performed complementary user entity controls testing. We found that the key controls on which we placed reliance were designed, implemented and operated effectively. We agreed the year end accrual balance to the billing schedule. Management fees from investment trusts were recalculated either on a sample basis or 100% recalculated depending on the terms of the investment management agreement. Fee rates were agreed to the investment management agreements and AUM data was received directly from the administrator. For segregated mandates we recalculated management fees for a sample of invoices by obtaining AUM data and fee rates included within investment management agreements. For the sample selected, we agreed the management fees received to invoices and bank statements. We performed a substantive analytic over rebates. For a sample of performance fees our procedures included the below: • We verified the performance fee calculation methodology by referring to the legal agreements. • To obtain comfort over the occurrence of fees earned during the year we assessed whether the performance fee crystallised and hence could be recognised, by reviewing the legal agreements, ensuring the performance conditions have been met. • We recalculated the performance fee using legal agreements and key inputs used by management to confirm the accuracy of the fees recognised. Key inputs have been agreed to legal agreements, accounting records and third party sources where available. No material issues were identified.

Key audit matter	How our audit addressed the key audit matter
Share-based payments expense (group) *Refer to the Audit and Risk Committee report, Note 5. Share based payment and Note 28. Basis of preparation and other accounting policies* There are a number of share-based and fund unit award arrangements in place for which the recognition involves the interpretation of complex terms, increasing the complexity of the accounting for each scheme. The share based payment expense for the year ended 31 December 2022 is £13.6m. These arrangements remunerate employees for their services by granting the right to either shares, options over shares, or fund units, subject to certain vesting conditions and exercise prices. Options and share awards are accounted for as equity-settled share-based payments whereas fund units are accounted for as cash-settled. Equity settled awards are fair valued on the date of grant, recognised within equity and not subsequently adjusted. Cash-settled award fair values are remeasured at each reporting date and on settlement and recognised as a liability. For equity-settled awards the conditions are such that the fair value calculated on grant equals the share price. For cash-settled awards the conditions are such that at each measurement date the fair value equals the value of the funds. We focused on the accuracy of the share-based payments expense because the calculation involves a number of manual elements and is judgemental in nature, involving estimation of both the expected future outcome of the performance conditions where applicable and the level of attrition in future years. For all awards, actual leavers are adjusted either by reversing the expense recognised that relates to them (bad leavers) or by accelerating the future expense still to be recognised into the current year (good leavers). The group financial statements provide sensitivity disclosures which demonstrate the impact changes in assumptions may have on the income statement expense.	We understood and evaluated the design and implementation of key controls in place around share-based payments. In testing the share-based payment and fund unit award employee benefits expense, we tested the accuracy of the share based payment expense by performing the following substantive procedures where relevant to each arrangement. • Reconciled a sample of new tranches of existing awards granted in the year to the signed Deeds of Grant, ensuring they were appropriately authorised, approved and consistent with scheme plans. • For a sample of new tranches of existing awards granted in the year (options and fund units) we independently recalculated the fair value. • Tested the classification of awards as equity or cash-settled; • Assessed the reasonableness of the key assumptions, leaver rate and expected outcome of performance conditions, by examining historical data and performing sensitivity analyses; • Tested forfeitures and lapses by agreeing samples back to source documentation and ensuring the expense recognised had been trued up appropriately, particularly in relation to good leavers and the acceleration of the expense; • Tested a sample of options exercised during the year to check they were exercised in accordance with the terms of the grant; • For cash-settled and equity-settled awards, tested a sample of current year charges. For cash-settled, this is based on the year-end price of underlying funds and results in re-measurement of the liability. For equity-settled, this is based on fair value at grant date; and • Agreed the share-based payment disclosures made in the financial statements back to supporting documentation. No material issues were identified.
Impairment of goodwill (group) *Refer to the Audit and Risk Committee report, Note 11. Goodwill and Note 28. Basis of preparation and other accounting policies.* Goodwill of £570.6m is the most significant balance in the group's balance sheet and hence we focussed on the valuation of this balance. Management is required by IAS 36 'Impairment of assets' to perform an annual impairment review and consider if there are any impairment indicators in respect of the carrying value of goodwill. Management has performed their annual impairment review which demonstrated that no impairment was required. The impairment review used a discounted cash flow model to calculate the net present value of the group's future earnings. The model involved a number of estimates and assumptions made by management including those related to revenue growth and long-term growth and discount rates. Management has applied judgment in determining the cash generating unit ("CGU") levels within its business for the purpose of impairment testing of goodwill. Management has concluded that the group is one cash generating unit: investment management.	We understood and evaluated the design and implementation of key controls in place around the impairment assessment of the goodwill model. We obtained management's impairment review and performed the following substantive procedures to test the valuation of the goodwill balance. • We engaged our internal valuations experts to independently calculate a reasonable range for the discount rate and a point estimate for the long term growth assumption used within the discounted cash flow calculation as per ISA UK 540 Revised. We found management's discount rate to be within our range and growth assumption to be reasonable; • We assessed the relevant inputs into management's discounted cash flow calculation, including challenging management's cash flow assumptions. Our challenge also included assessing whether management had appropriately assessed the impacts of climate change on their model; • We also checked that the cash flow forecast used by management in the assessment of goodwill impairment was consistent with the Board approved budgets; • We assessed the accuracy of management's historic forecasts against actual financial results to assess the reasonableness of estimates used in the forecast; • We evaluated management's assessment that only one cash generating unit exists and concluded it was appropriate; • We obtained and understood management's sensitivity calculations over the impairment assessment, as well as performing further sensitivity scenarios ourselves; • We considered publicly available information on the asset management industry and considered whether there were any views contrary to those of management; • We compared the fair value implied by management's models to the market value of the company for any indicators of impairment; and • We agreed the goodwill disclosures made in the financial statements back to supporting documentation. No material issues were identified.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the company, the accounting processes and controls, and the industry in which they operate.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the company, the accounting processes and controls, and the industry in which they operate.

The group operates as a single-segment investment management business and the majority of the operations and finance team are based in the UK resulting in most of the audit procedures being performed locally by the UK audit team.

Based on the scoping procedures and detailed audit work performed across the group, we have obtained sufficient comfort across the individual account balances within the group financial statements, obtaining more than 94% coverage over revenue and more than 96% coverage over profit before tax.

The impact of climate risk on our audit

As part of our audit we made enquiries of management to understand the process management adopted to assess the extent of the potential impact of climate risk on the group's financial statements, including going concern, and support the disclosures made within note 28. In addition to enquiries with management, we also:

- Held discussions with management's climate reporting team;
- Read external reporting made by the entity on climate and
- Read the entity's website and communications for details of climate related impacts.

Management have made commitments to operate their business and manage all assets on a net zero emissions basis by 2050. This commitment does not directly impact the current year financial reporting as management has not yet developed a pathway to deliver this commitment and will only be able to model the impact once the pathway is developed. Management considers the impact of climate risk does not give rise to a potential material impact in the year ended 31 December 2022 financial statements (see note 28). Using our knowledge of the business we evaluated management's risk assessment. We considered the impairment of goodwill to potentially be an area impacted by climate risk and consequently we focused our audit work in this area. Refer to the key audit matter – impairment of goodwill (group).

To respond to the audit risks identified we tailored our audit approach, in particular, we challenged management on how the impact of climate commitments made by the group would impact the assumptions within the discounted cash flows prepared by management that are used in the group's impairment analysis.

We also considered the consistency of the disclosures in relation to climate change (including the disclosures in the Task Force on Climate-related Financial Disclosures (TCFD) section) within the Annual Report and our knowledge obtained from our audit.

Our procedures did not identify any material impact in the context of our audit of the financial statements as a whole, or our key audit matters for the year ended 31 December 2022.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements – group	Financial statements – company
Overall materiality	£5.1 million (2021: £9.0 million).	£6.7 million (2021: £6.6 million).
How we determined it	5% of underlying profit before tax before performance fee profits (2021: profit before tax)	1% of total assets (2021: total assets)
Rationale for benchmark applied	A profit before tax benchmark was applied in 2021 however given the impact of exceptional and performance fee-related profits, we believe that underlying profit before tax, adjusted for performance fee-related profits is the primary measure used by the shareholders in assessing the performance of the group during 2022.	As the company is a holding company and does not earn any revenue, total assets is the most appropriate method to determine materiality and is a generally accepted auditing benchmark.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was between £0.3 million and £4.2 million.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2021: 75%) of overall materiality, amounting to £3.8 million (2021: £6.75 million) for the group financial statements and £5.0 million (2021: £4.9 million) for the company financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit and Risk Committee that we would report to them misstatements identified during our audit above £253,000 (group audit) (2021: £450,000) and £335,000 (company audit) (2021: £330,000) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the group's and the company's ability to continue to adopt the going concern basis of accounting included:

- We obtained management's latest forecasts that support the board's assessment and conclusions with respect to the going concern basis of preparation of the financial statements;
- We checked the arithmetical accuracy of management's forecasts and agreed them to the board approved five year plan;
- We performed lookback testing over budgeted versus actual results for the previous year to assess the historical accuracy of management's forecasting;
- We evaluated management's base case forecast and downside scenarios, challenging the underlying data and adequacy and appropriateness of the underlying assumptions used to make the assessment, and evaluated the directors' plans for future actions in relation to their going concern assessment should these be required; and
- We assessed the appropriateness of the going concern disclosures by comparing them to management's assessment for consistency and for compliance with the relevant reporting requirements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Directors' Remuneration

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the group's and company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the group's and company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the group and company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the group and company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the group's and company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit and Risk Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of UK regulatory principles, such as those governed by the Financial Conduct Authority (FCA), and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue, and management bias in accounting estimates. The group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed by the group engagement team and/or component auditors included:

- Enquiries of management, including legal, compliance, risk and internal audit, including consideration of known or suspected instances of noncompliance with laws and regulations including fraud;
- Reviewing the group/company's litigation log in so far as it related to non-compliance with laws and regulations and fraud;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations, entries posted containing unusual account descriptions, and entries posted on non-working days or by unexpected users;
- Review of relevant meeting minutes, including those of the Audit and Risk Committee and Board;
- Challenging assumptions and judgements made by management in determining their significant accounting estimates, in particular in relation to the impairment assessment of goodwill and the accounting for share based payments as described in the related key audit matters; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

We were appointed by the Directors to audit the financial statements for the year ended 31 December 2007 and subsequent financial periods. Following a competitive tender process in 2014, we were reappointed as auditor of the company by recommendation of the Audit and Risk Committee for the period ending 31 December 2015 and subsequent financial periods. The period of total uninterrupted engagement is 16 years, covering the years ended 31 December 2007 to 31 December 2022.

Other matter

As required by the Financial Conduct Authority Disclosure Guidance and Transparency Rule 4.1.14R, these financial statements form part of the ESEF-prepared annual financial report filed on the National Storage Mechanism of the Financial Conduct Authority in accordance with the ESEF Regulatory Technical Standard ('ESEF RTS'). This auditors' report provides no assurance over whether the annual financial report has been prepared using the single electronic format specified in the ESEF RTS.

COLLEEN LOCAL (SENIOR STATUTORY AUDITOR)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
23 February 2023

	2022 £m	2021 £m	2020 £m	2019 £m	2018 £m
Net revenue	397.3	568.6	457.8	379.1	412.7
Administrative expenses	(302.3)	(353.1)	(312.1)	(228.5)	(225.1)
Other (losses)/gains	(9.7)	(4.4)	3.3	4.1	(6.5)
Amortisation of intangible assets	(21.0)	(20.6)	(11.3)	(1.8)	(1.8)
Operating profit	**64.3**	**190.5**	**137.7**	**152.9**	**179.3**
Net finance costs	(6.3)	(6.8)	(5.1)	(1.9)	(0.1)
Profit before taxation	**58.0**	**183.7**	**132.6**	**151.0**	**179.2**
Income tax expense	(10.1)	(34.1)	(27.3)	(28.2)	(36.2)
Profit for the year	**47.9**	**149.6**	**105.3**	**122.8**	**143.0**
Earnings per share					
Basic (p/share)	8.9	27.6	21.3	27.5	31.8
Diluted (p/share)	8.8	26.9	20.8	26.8	31.1
Dividends per share					
Interim (p/share)	7.9	7.9	7.9	7.9	7.9
Final (p/share)	0.5	9.2	9.2	9.2	9.2
Special (p/share)	–	–	3.0	–	11.4
Total dividends paid out of current year profit	**8.4**	**17.1**	**20.1**	**17.1**	**28.5**
AUM at year end (£bn)	50.2	60.5	58.7	42.8	42.7
Average headcount (number)	572	584	593	529	533
Cash and cash equivalents (£m)	280.3	197.3	188.1	179.4	201.7
Net cash inflows from operating activities (£m)	162.3	188.9	104.6	149.8	170.5
Underlying profit before tax (£m)	77.6	216.7	179.0	162.7	183.0
Underlying earnings per share (p/share)	11.3	31.7	28.7	28.8	32.4

The Group uses alternative performance measures (APMs) for two principal reasons:

- We use ratios to provide metrics for users of the accounts; and
- We use revenue, expense and profitability-based APMs to explain the Group's underlying profitability.

These non-IFRS measures are considered additional disclosures and are not intended to replace the financial information prepared in accordance with the basis of preparation detailed in the financial statements. Moreover, the way in which the Group defines and calculates these measures may differ from the way in which these or similar measures are calculated by other entities. Accordingly, they may not be comparable to measures used by other entities in the asset management industry.

Ratios

The Group calculates ratios to provide comparable metrics for users of the accounts. These ratios are derived from other APMs that measure underlying revenue and expenditure data.

In the 2022 Annual Report and Accounts, we have used the following ratios:

	APM	**2022**	2021	Definition	Reconciliation
1	Cost: income ratio	**69%**	61%	Administrative expenses before exceptional items and performance fees divided by Net revenue before exceptional items and performance fees	See table 1 below
2	Net management fee margin	**73.5bps**	76.0bps	Net management fees divided by average AUM	
3	Total compensation ratio	**47%**	37%	Fixed staff costs before exceptional items plus Variable staff costs before exceptional items as a proportion of Net revenue	
4	Total compensation ratio before performance fees	**40%**	33%	Fixed staff costs before exceptional items plus Variable staff costs before exceptional items and performance fees as a proportion of Net revenue before performance fees	
5	Underlying EPS	**11.3p**	31.7p	Underlying profit after tax attributable to equity holders of the parent divided by average issued share capital	
6	Underlying EPS before performance fee losses/(profits)	**14.7p**	24.1p	Underlying profit after tax before performance fee losses/(profits) attributable to equity holders of the parent divided by average issued share capital	
7	Total shareholder return	**(42)%**	(2)%	Movement in share price in the year plus dividends paid in the year and dividend reinvestment adjustment divided by the opening share price	Not available - supplied by Bloomberg

Reconciliations: table 1

	APM	2022 £m	2021 £m
Administrative expenses (page 146)		302.3	353.1
Less: Performance fee costs (page 23)		(33.9)	(60.9)
Less: Exceptional items included in administrative expenses (page 26)		(0.8)	(14.2)
Administrative expenses before exceptional items and performance fee-related costs		**267.6**	**278.0**
Net revenue (page 146)		397.3	568.6
Less: Performance fees (page 151)		(10.3)	(113.0)
Net revenue before performance fees		**387.0**	**455.6**
Cost:income ratio	**1**	**69%**	**61%**
Management fees (page 151)		430.1	501.5
Less: Fees and commissions relating to management fees (page 151)		(45.3)	(47.8)
Net management fees		**384.8**	**453.7**
Average AUM (£bn) (page 24)		**52.4**	**59.7**
Net management fee margin	**2**	**73.5bps**	**76.0bps**
Fixed staff costs before exceptional items (page 23)		82.4	73.0
Variable staff costs before exceptional items (page 23)		104.5	140.0
Total		**186.9**	**213.0**
Net revenue (see above)		**397.3**	**568.6**
Total compensation ratio	**3**	**47%**	**37%**
Fixed staff costs before exceptional items (see above)		82.4	73.0
Variable staff costs before exceptional items and performance fees (page 23)		70.6	79.1
Total		**153.0**	**152.1**
Net revenue before performance fees (see above)		**387.0**	**455.6**
Total compensation ratio before performance fees	**4**	**40%**	**33%**
Statutory profit before tax (page 146)		58.0	183.7
Exceptional items (page 150)		19.6	33.0
Underlying profit before tax		**77.6**	**216.7**
Tax at average statutory rate of 19%[1]		(14.7)	(41.2)
Underlying profit after tax		**62.9**	**175.5**
Profit attributable to non-controlling interests (page 148)		(0.6)	(0.2)
Underlying profit after tax attributable to equity shareholders of the parent		**62.3**	**175.3**
Average issued share capital (m) (page 159)		**552.4**	**553.1**
Underlying EPS	**5**	**11.3p**	**31.7p**

1. Actual effective tax rates applicable to underlying profit before tax were 17.0% in 2022 and 18.3% in 2021.

Underlying profit after tax before performance fee losses/(profits) (page 27)		**82.0**	**133.3**
Profit attributable to non-controlling interests (see above)		(0.6)	(0.2)
Underlying profit after tax before performance fees losses/(profits) attributable to equity shareholders of the parent		**81.4**	**133.1**
Average issued share capital (m) (see above)		**552.4**	**553.1**
Underlying EPS before performance fee profits/losses	**6**	**14.7p**	**24.1p**

Revenue, expense and profit-related measures

1. Asset managers commonly draw out subtotals of revenues less cost of sales, taking into account items such as fee expenses, including commissions payable, without which a proportion of the revenues would not have been earned. Such net subtotals can also be presented after deducting non-recurring exceptional items.
2. The Group uses expense-based APMs to identify and separate out non-recurring exceptional items or recurring items that are of significant size in order to provide useful information for users of the accounts who wish to determine the underlying cost base of the Group. To further assist in this, we also provide breakdowns of administrative expenses below the level required to be disclosed in the statutory accounts, for example, distinguishing between variable and fixed compensation, as well as non-compensation expenditure. These subdivisions of expenditure are also presented before and after exceptional items and after accounting for the impact of performance fee pay-aways to fund managers.
3. Profitability-based APMs are effectively the sum of the above revenue and expense-based APMs and are provided for the same purpose – to separate out non-recurring exceptional items or recurring items that are of significant size in order to provide useful information for users of the accounts who wish to determine the underlying profitability of the Group.
4. Underlying profit after tax is, in addition, used to calculate underlying EPS which determines the Group's ordinary dividend per share and is used in one of the criteria for measuring the vesting rates of share-based awards that have performance conditions attached.

In the 2022 Annual Report and Accounts, we have used the following measures which are reconciled or cross-referenced in table 1:

	Rationale for use of measure
Net management fees	1
Exceptional items	2
Net revenue	1
Performance fee costs	2
Fixed staff costs before exceptional items	2
Variable staff costs before exceptional items[1]	2
Underlying profit before tax	3
Underlying profit after tax	3, 4

1. We also use this measure excluding performance fees – see page 23.

As stated in 2 above, the Group presents a breakdown of administrative expenses below the level required to be disclosed in the statutory accounts, distinguishing between variable and fixed compensation, as well as non-compensation expenditure. The relevant amounts are set out in the table on page 25.

Changes in use of APMs in 2022

In 2022, we have changed from using operating margin as a measure of operational efficiency to using a cost:income ratio. The former includes gains and losses on seed investments which we do not believe are relevant metrics in determining our ability to manage costs and drive growth. By using a cost:income ratio instead, we are comparing underlying administrative expenses with underlying revenue, which we believe to be a cleaner measure. This ratio is one of our four financial KPIs, as set out on page 19. We have also added total shareholder return, another of our financial KPIs, as an APM to provide insight into how this is calculated. Total shareholder return demonstrates our ability to deliver positive returns to shareholders through dividend income and an increase in the share price.

Additionally, the Group has not used the following APMs in this report:

- Adjusted net revenue
- Underlying pay-out ratio

Shareholder information

Shareholder enquiries	All enquiries relating to holdings of shares in Jupiter Fund Management plc, including notification of change of address, queries regarding dividend/interest payments or the loss of a share certificate, should be addressed to the Company's Registrars: Equiniti Limited Aspect House Spencer Road Lancing West Sussex BN99 6DA Tel: 0371 384 2030 Overseas tel: +44 (0) 371 384 2030 Calls outside the UK will be charged at the applicable international rate. Lines are open (UK only) 8.30am-5.30pm Monday to Friday. Online: www.shareview.co.uk Other shareholder queries should be addressed to the Company Secretary (shareholderservices@jupiteram.com).
Share dealing service	There is a share dealing service offered by the Registrars. It is a simple way to buy and sell shares via the internet or telephone with quick settlement. For information visit: **www.shareview.co.uk** For telephone purchases: Tel: 03456 037 037. Lines are open 8.00am to 4.30pm, Monday to Friday. UK calls are charged at the standard geographic rate. Calls outside the UK will be charged at the applicable international rate.
Financial calendar	**Event** — **Date** Ex-dividend date for final dividend — 20 April 2023 Record date for final dividend — 21 April 2023 Trading update — 25 April 2023 Annual General Meeting — 10 May 2023 Payment date for final dividend — 19 May 2023 Interim results announcement — 27 July 2023 Trading update — 17 October 2023
Company details and principal office	**Jupiter Fund Management plc** The Zig Zag Building 70 Victoria Street London SW1E 6SQ Registered number: 6150195 Company Secretary – Lisa Daniels Tel: 020 3817 1000
Website	The Company has a corporate website, which holds, amongst other information, copies of its latest annual report and copies of all press announcements released. This site can be found at **www.jupiteram.com**
Share information	The Company's ordinary shares are traded on the London Stock Exchange: ISIN GB00B53P2009 SEDOL B53P200 TICKER JUP.LN
Electronic communications	We encourage shareholders to receive shareholder documentation electronically to help reduce the environmental impact caused by printing and distributing hard copies. You can register your communication preference at **www.shareview.co.uk**
Electronic proxy voting	This year we have not produced hard copies of the proxy form and are requesting all shareholders vote electronically by logging onto **www.sharevote.co.uk**. If you have already registered for an account with Equiniti's ShareView portfolio service, log into your account at **www.shareview.co.uk** and select Jupiter Fund Management plc. Alternatively you can request a hard copy proxy form by calling our Registrars, Equiniti, on the number above. Further information can be found in the 2023 Notice of Annual General Meeting.

GLOSSARY

A

Act
Companies Act 2006 (as amended, supplemented or replaced from time to time)

AGM
Annual General Meeting

AIFMD
Alternative Investment Fund Managers Directive

AML
Anti-money laundering

APMs
Alternative Performance Measures as defined from page 195

AUM
Assets under management

B

BEIS
The Department for Business, Energy and Industrial Strategy

Board
The Board of Directors of the Company

Bps
One one-hundredth of a percentage point (0.01%)

C

CASS
The FCA's Client Asset Sourcebook rules

CDP
Formerly the Carbon Disclosure Project

CGU
Cash-generating unit

Code
UK Corporate Governance Code adopted by the Financial Reporting Council in 2018

Company
Jupiter Fund Management plc

CREST
The system for paperless settlement of trades in listed securities, of which Euroclear UK & Ireland Limited is the operator

CSR
Corporate Social Responsibility

D

DE&I
Diversity, Equity and Inclusion

DBP
Deferred Bonus Plan

DEO
Deferred Earn Out

E

EBT
The Jupiter employee benefit trust established pursuant to a trust deed dated 22 April 2004

EPS
Earnings per share

ESG
Environmental, social and governance

EU
The European Union

F

FCA
Financial Conduct Authority of the United Kingdom

FRC
Financial Reporting Council

FSA
Free Share Award

FVTPL
Fair value through profit or loss

G

GHG
Greenhouse gas

Good Work Initiative
A ShareAction-led coalition that brings together institutional investors to collaboratively engage on workforce issues, including the Living Wage, diversity and inclusion and insecure working practices

Group
The Company and all of its subsidiaries

I

IAS
International Accounting Standard(s)

ICAAP
Internal Capital Adequacy Assessment Process

ICARA
Internal Capital Adequacy and Risk Assessment

ICAV
Irish Collective Asset-management Vehicle

ICVC
Investment Company with Variable Capital

IFRS
International Financial Reporting Standard(s)

IFRS IC
IFRS Interpretations Committee

IIGCC
Institutional Investors Group on Climate Change

ISA
International Share Award

J

Jupiter
The Company and all of its subsidiaries

K

KPI
Key performance indicator

KRI
Key risk indicator

L

Listing
The Company's Listing on the London Stock Exchange on 21 June 2010

Listing Rules
Regulations subject to the oversight of the FCA applicable to the Company following Listing

LGBTQ+
Lesbian, gay, bisexual, transgender and other sexual or gender identities

LTIP
Long-term Incentive Plan for retention

M

Merian
Merian Global Investors Limited and its subsidiary undertakings

MHFA
Mental health first aider

MSCI Climate VAR[1]
MSCI Climate Value at Risk is designed to provide a forward-looking and return-based valuation assessment to measure climate related risks and opportunities in an investment portfolio.

Mutual funds
Collective investments where a group of investors pool their money (buying units or a portion of the mutual fund)

N

NZAM
Net Zero Asset Management

O

OEIC
Open Ended Investment Company

Ordinary dividends per share
Interim and final/full-year dividends (does not include any special dividends)

P

PBT
Profit before tax

Platforms
Service providers that enable investors to buy and hold in a single place a range of investments from multiple providers with different tax wrappers

R

RCF
Revolving credit facility

RE100
RE100 is a global corporate renewable energy initiative, bringing together businesses committed to 100% renewable electricity

Registrar
Equiniti Limited

RFP
Request for proposal

S

SAYE
Save As You Earn

SEDOL
Stock Exchange Daily Official List

Segregated mandates
An investment strategy run exclusively for certain institutional clients

SFDR
Sustainable Finance Disclosure Regulation

SICAV
Société d'Investissement à Capital Variable; an open-ended collective investment scheme offered in Europe

SIP
Share Incentive Plan

SMCR
Senior Managers and Certification Regime; an FCA regime governing the regulation of senior employees of entities operating in the financial services sector in the UK

SONIA
Sterling Overnight Index Average

T

TCFD
The Financial Stability Board Task Force on Climate-related Financial Disclosures (TCFD) is a market-driven initiative to help investors understand their financial exposure to climate risk and help companies disclose this information in a clear and consistent way

U

UCITS
Undertaking for Collective Investment in Transferable Securities as defined by EC Council Directive 85/611/EEC, as amended

UNGC
United Nations Global Compact. A UN-led pact to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. It is the world's largest corporate sustainability initiative and is based on ten principles in the areas of human rights, labour, the environment and anti-corruption

W

WAEP
Weighted average exercise price

1. Although Jupiter Fund Management PLC information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information (the "Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for your internal use, may not be reproduced or redisseminated in any form and may not be used as a basis for, or a component of, any financial instruments or products or indices. Further, none of the Information can in and of itself be used to determine which securities to buy or sell or when to buy or sell them. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

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www.blacksunplc.com

Registered address:

The ZigZag Building
70 Victoria Street
London
SWE 6SQ

www.jupiteram.com